Daily Report

Latin America

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Parlatino Head Against Both Cedras, Aristide Leading Haiti

PA2507203594 Madrid EFE in Spanish 1853 GMT 25 Jul 94

[Text] Caracas, 25 Jul (EFE)—Venezuelan Humberto Celli, president of the Latin American Parliament (Parlatino), today said that ousted Haitian President Jean-Bertrand Aristide and General Raoul Cedras should both give up their political aspirations to open the way for a peaceful solution to Haiti's crisis.

The Haitian crisis was taken up during the Parlatino meetings held this weekend in Caracas, and, according to Celli, the withdrawal of both Aristide and Cedras from the Haitian political map would ease the way for the calling of free elections and would annul the possibility of foreign military intervention.

"We suggest the holding of new elections to allow the return of peace to a nation severely devastated and now controlled by General Cedras, whom we emphatically condemn," Celli said.

Likewise, the Parlatino president said: "The possibility of new elections could be facilitated by President Aristide's resignation."

With regard to potential foreign military intervention to oust the Haitian military from power, Celli said, "If this takes place we will be totally against it."

The Parlatino president said: "Although this is disguised as a UN or OAS agreement, such intervention would comprise interference by the United States in Haiti."

Castro on Association of Caribbean States

PA2507233894 Havana PRENSA LATINA in Spanish 2209 GMT 25 Jul 94

[By Frank Gonzalez]

[Text] Santa Marta, Colombia, 25 Jul (PL)—Cuban President Fidel Castro said here today the creation of the Association of Caribbean States (ACS) [AEC] is part of the Bolivian dream which will become a reality one day.

The Antillean leader spoke with Cuban reporters after he toured the estate of San Pedro Alejandrino, a country house in the outskirts of the city where Simon Bolivar died on 17 December 1830.

Asked about the importance of the AEC constitutive agreement signed in Cartagena de Indias the previous day, the liberator's 211th birthday, Castro replied it was the best tribute that could be rendered to him. Our signing the AEC yesterday, the same day Bolivar was born, was quite extraordinary, he said.

Dressed in his traditional olive green uniform and visibly moved by his visit to the estate, which has been converted into a museum, the revolutionary leader said: "This is really touching."

One cannot image the things that are in this place, the love with which everything has been maintained, and how well it has been cared for. It is one of the most beautiful and touching places I have ever seen, he said.

Upon ending the tour, accompanied by Colombian Defense Minister Rafael Pardo, Fidel Castro and his entourage went to the headquarters of the First Army Division and attended an outdoor luncheon.

They left shortly thereafter to return to the neighboring beach resort city of Cartagena de Indias on board a Hercules C-130 airplane provided by the Colombian Air Force.

This is the Cuban President's third visit to this South American nation, the second visit in less than a month after participating in the Fourth Ibero-American Summit.

Jamaican Prime Minister Attends Association Founding

FL2507140294 Kingston RJR Network in English 1200 GMT 25 Jul 94

[Text] Heads of government from several Caribbean and Latin American countries met in Cartagena, Colombia, yesterday (?to draft the executive) document establishing the Association of Caribbean States, the ACS [AEC]. Prime Minister P.J. Patterson was among the Caribbean leaders who met in Colombia for the historic summit. The Association is expected to (?service) closer collaboration among a wider range of Caribbean countries than is possible for Caricom [Caribbean Community]. It includes English-, French-, and Spanish-speaking countries that share the virtual wealth of the Caribbean Sea. The (?committee) has chosen the birthday of Latin American liberator Simon Bolivar who was one of the leading advocates of regional integration.

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Fidel Castro Returns; Raul Castro To Give Moncada Address

FL2607122894 Havana Radio Progreso Network in Spanish 1100 GMT 26 Jul 94

[From the "First Thing" program]

[Text] Commander in Chief Fidel Castro and his delegation returned to Cuba from Cartagena de Indias at around 0400 GMT on 26 July, following the Association of Caribbean States [AEC] founding ceremony. Fidel Castro visited the place where Liberator Simon Bolivar died, traveled to the city of Santa Marta with President Cesar Gaviria, returned to Cartagena de Indias, and from there flew to Havana. Fidel was met by Army General Raul Castro, Cuban Communist Party second secretary and Revolutionary Armed Forces minister, and Commander of the Revolution Juan Almeida Bosque, Carlos Lage Davila, Abelardo Colome Ibarra, and Ulises Rosales del Torro, all Politburo members.

Isla de la Juventud is ready to host the main nationwide event marking the 26 July anniversary. Army General Raul Castro, Revolutionary Armed Forces minister, will address the nation at 2230 GMT via the two Cuban television channels and national radio and via Radio Havana Cuba for the international audience.

The esplanade in front of the old Presidio Modelo, where a group of heroic combatants headed by Fidel were jailed, is adorned and ready.

Venezuelan Tourism Official Visits

FL2207183194 Havana Radio Progreso Network in Spanish 1100 GMT 22 Jul 94

[Report by Julio Gomez Jusia for the "First Thing" program]

[Text] German Luis Soriano, Venezuelan minister of state and president of Corpoturismo, arrived yesterday for an official visit, upon the invitation of our country's Ministry of Tourism.

Soriano told "First Thing" he was pleased to be in Cuba, where he came to study and use the opportunituies for cooperation between the two countries. The Venezuelan official said: We believe it is a good moment to start broad cooperation plans.

We also report that a meeting will be held at 1000 today in the National Hotel between Cuban and Venezuelan tourism officials and businessmen.

The distinguished visitor was met at the airport terminal in this capital by Osmany Cienfuegos, minister of tourism and Politburo member, who will preside over the contact between the Venezuelan official and local representatives.

Tourism Accord in August

FL2307014494 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 94

[Text] Official sources from Caracas have reported that in August, the foreign ministers of Cuba and Venezuela will sign an accord on tourism and will increase tourism exchanges. State Minister German Luis Soriano, president of the Venezuelan Tourism Corporation, added that the accord includes dissemination of information on tourism, as well as business promotion and cooperation. Soriano affirmed that a coordination commission will be created to that end and that the commission will include representatives from both countries who will periodically examine the accord's progress.

Envoy to Bolivia Praises Deportation of Cubans to Peru

PA2107172294 Havana PRENSA LATINA in Spanish 1749 GMT 20 Jul 94

[Text] La Paz, 20 Jul (PL)—Deputy Immigration Secretary Victoria Baldivieso said that Bolivian immigration authorities today deported to Peru 32 people identified as Cubans who entered Bolivia last week under false documents.

The decision was made on Monday by Deputy Foreign Minister Eduardo Trigo, who argued that the presumed Cubans entered Bolivia with forged passports from different countries.

They were returned to Peru because that is where they came from, and there is no chance that this is a case of political asylum, Trigo said.

The group was detained on Friday when it tried to travel from here to the United States.

Carmen Elena Herrera, Cuba's ambassador to Bolivia, said the government's solution to this incident showed good judgment. She added that the incident was a flagrant provocation meant to affect cordial Bolivian-Cuban relations.

Economic Cooperation Accord Signed With Colombia

PA1907183994 Havana PRENSA LATINA in Spanish 2251 GMT 16 Jul 94

[Text] Bogota, 16 Jul (PL)—Colombia and Cuba signed here today an agreement to mutually promote and protect the investments of either country in the other country as a new step in increasing and strengthening bilateral economic relations.

This was said by Armando Montenegro, director of Colombia's National Department of Planning, and Raul Taladrid, the vice president of Cuba's State Committee for Economic Cooperation, in brief speeches after signing the agreement in the Protocol Room of the Sante Fe de Bogota 20th International Fair.

Montenegro expressed his satisfaction to the Colombian Government for making this agreement a reality, the third of its kind signed by Colombia following other agreements with Great Britain and Peru.

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We attach great importance to the ties we are creating with our sister nation Cuba, Montenegro said.

Later, in a statement to PRENSA LATINA and the local media, Montenegro emphasized that Cuba is a market opening up to the world and that Colombian businessmen have many opportunities and should take better advantage of them in the tourist, industrial, and trade sectors.

Montenegro added that through Cuba Colombia will have access to other countries and that although the agreement foresees investment by either country in the other, in reality there will be more investment from Colombia in the Caribbean island now that the rules of the game are much clearer and there is greater security, stability, and protection for investments.

Taladrid emphasized that the document signed today is of particular importance to Cuba because it is the first agreement reached with a Latin American or Caribbean country; because of this it falls within the traditional policy of developing regional ties.

The Cuban deputy minister told PRENSA LATINA that previously Cuba had signed similar agreements with Spain, Italy, and Russia and is currently negotiating other agreements with France, Great Britain, Switzerland, Germany, Netherlands, China, Vietnam, Argentina, and Chile.

Tomorrow Taladrid will end his one-week visit to Colombia, during which he met with government authorities and a number of representatives of the private sector in order to promote investments in Cuba.

Fidel Castro, Colombian Leader Cited on AEC

FL2507150194 Havana Radio Progreso Network in Spanish 1100 GMT 25 Jul 94

[From the "First Thing" program]

[Text] Commander in Chief Fidel Castro has described the Association of Caribbean States [AEC] as the first serious bridge between Latin America and the Caribbean. Fidel Castro told Mexican correspondents in Cartagena de Indias, Colombia, on 24 July that the AEC accord is a small but honorable step toward integrating Latin American and Caribbean countries. Fidel Castro pointed out that Latin America and the Caribbean have been somewhat separated up to now and that the Caribbean countries are in greatest need of integration, being small islands with communication difficulties and everything else that makes life harder. Fidel Castro noted that although the will of those running the world is to always exclude Cuba, being invited to participate in this forum leaves our country greatly satisfied and obligates us to work for this institution's success. Fidel Castro reiterated that he opposes an invasion of Haiti, saying that it would not be a definitive solution to that Caribbean country's problems.

Colombian President Cesar Gaviria pushed for a hemispheric area of free trade, from Alaska to Tierra del Fuego, during the signing of a trade agreement with the Caribbean Community in Cartagena de Indias. Gaviria announced that, as AEC secretary general, he will work on creating the organization needed to face an increasingly complex and demanding world. Gavira stated his concern in light of the appearance of forms of neoprotectionism and neoisolation. Gaviria said that this is very harmful not only to regional but also to global developments:

[Begin Gaviria recording] There could be no better date than today to sign the AEC accord. Liberator Simon Bolivar was born 211 years ago and with him the dream of integration that takes on special significance today. History may have changed with the times, but what we have done here is very important to turning that dream into reality. [end recording]

Raul Castro Chairs Meeting of Central Province Leaders

FL2307184494 Havana Radio Rebelde Network in Spanish 1700 GMT 23 Jul 94

[From the "National Radio News"]

[Text] Raul Castro, second secretary of the Central Committee of the Communist Party of Cuba [PCC], chaired a meeting of the PCC leadership in the five central provinces and 53 municipalities.

A broad and profound debate took place around the fundamental issue of increasing food production for the population.

During the 10-hour meeting a broad agenda was broached. The difficulties and deficiencies of each area and how to resolve them were the main topics. Farming and fish farming, formulas for distribution and commercialization, prices, participation of workers, and sugarcane recovery and production were also analyzed. The decrease in farming sector apportion levels to the state, the sale of farming sector production on the black market, the lack of raw materials for production, and the lack of industrial items for the domestic and personal use of farmers, were also broached.

There was a consensus among the participants with reference to the need to find forms of trade more in accordance with the current economic situation, thereby increasing farm production. Also the possibility was broached of studying forms that would allow more direct distribution to the consumers or new forms of attracting production above the amounts to be delivered to the state.

Raul Castro stressed the need to reestablish financial discipline, and to paralyze and eradicate the impunity that has prevailed for those that have broken laws and violated legislation.

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Raul Castro, Rosales Attend Military School Ceremony

FL2307015094 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 94

[Text] Army General Raul Castro, minister of the Revolutionary Armed Forces [FAR], presided over a ceremony at La Cabana Fort marking the FAR Camilo Cienfuegos Artillery School's integration into other military schools.

Division Gen. Ulises Rosales del Toro, deputy minister of the FAR and chief of the General Staff, gave the closing address a few minutes ago.

[Begin recording] The FAR has this military school to thank in great measure for its outstanding artillery officers, not only remarkable for the excellent training in specific weapons, but also for their high degree of military professionalism and political and moral qualities. This explains why many comrades who began their military careers as artillery officers today have important responsibilities in the most diverse fields of defense. [end recording]

The Antonio Maceo Order was conferred upon the Camilo Cienfuegos Artillery School during the ceremony. Among the school's accomplishments one can cite having graduated over 10,000 officers in 36 years and the outstanding participation of one of its cadet battalions in the internationalist mission in Angola in 1975.

The ceremony was also an appropriate forum to observe the 41st anniversary of the attack on the Moncada Barracks.

Raul Castro Cites Enterprise for Water Channel Construction

FL2207203294 Havana Radio Rebelde Network in Spanish 1700 GMT 22 Jul 94

[From the "National Radio News"]

[Text] General of the Army Raul Castro congratulated military construction enterprise number 15, which in record time constructed a channel that will conduct a greater amount of water to Santiago de Cuba from the Carlos Manuel de Cespedes Dam in Contramaestre Municipality. With minimum resources and working 24 hours a day, up to their knees in mud and water, the military construction workers concluded the job in 17 months, rather than the four years originally estimated. The workers dedicated this 7 million pesos' construction to the 26 July anniversary. The construction is the largest tunnel in Cuba, over 2.5 km long, which will channel water 70 km, from the Carlos Manuel de Cespedes Dam to Santiago de Cuba.

Esteban Lazo, Politburo member and first secretary of the Communist Party of Cuba in the province, conveyed Raul Castro's congratulations to the workers.

[Begin recording] Heroic tasks are achieved, and many times, the population is not aware. One of those heroic tasks is completing this construction in the amount of time in which it was done which [words indistinct] as we have called it. When this phase of work is completed, the total investment will be approximately 40 million pesos. This includes work at the Carlos Manuel de Cespedes Dam and approximately 22 km of double pipes, laid from the dam to Santiago de Cuba. This means coming through the tunnel, laying pipes through the Gilbert, build a dam called Caney del Sitio to supply water to the Gota Blanca Dam, build a pumping station at Gota Blanca Dam with a pumping capacity of 1.4 meters per second, build a channel from the Gota Blanca Dam to the Sierra Maestra tunnel, and enlarge the Sierra Maestra tunnel itself. That would complete the first phase. This would make it possible for Santiago de Cuba to receive water at a rate of 2 meters per second, due to work currently underway at the pumping station. This would mean a 30-percent increase in the supply of water to Santiago de Cuba. [end recording]

Lazo awarded outstanding defens status to several of the construction workers.

Council of State Rewards High-Ranking Officers

FL2407231294 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 24 Jul 94

[From the "NTV" newscast]

[Text] The Council of State has issued a decree rewarding high-ranking Revolutionary Armed Forces [FAR] officers. Army General Raul Castro, Cuban Communist Party second secretary and FAR minister, presented the Service to the Fatherland Order to Commander of the Revolution Juan Almeida Bosque, Jorge Risquet, and retired General Juan Escalona Reguera during a ceremony at FAR Ministry Headquarters. The Exemplary Service Medal was presented to Raul Castro; Corps General Abelardo Colome Ibarra, interior minister; Division General Ulises Rosales del Toro; and other high-ranking FAR officers. Division General Ramon Pardo Guerra said the awards recognize the outstanding service that the ranks of the 26 July Movement and the Rebel Army have rendered to the fatherland, including efforts to fight bandits and internationalist missions and to discharge FAR officers' duties successfully:

[Begin Pardo recording] The FAR minister decided that these awards be presented within the framework of the 41st anniversary of the Moncada Barracks attack as just recognition of the comrades' merits and as a solemn order to continue achieving accomplishments and to build a future for our heroic people and their Revolution. [applause] [end recording]

Asset Forfeiture Under New Penal Code Discussed

FL2207183894

[Editorial Report] Havana Cuba Vision Network in Spanish at 0030 GMT on 22 July carries the third and

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last part of the special program on modifications to the penal code and penal procedures law. The program is hosted by Doctor Juan Mendoza Diaz, a lawyer of the Public Attorneys' Office, who reviews the topics discussed in the first two parts.

Mendoza Diaz introduces his guests—Graciela Prieto Martin, vice president of the People's Supreme Court; Doctor Jose Candia Ferreira, chief prosecutor in charge of penal procedures at the Public Prosecutor's Office; Dr. Renen Quiros Pirez, Justice Ministry specialist and professor at the University of Havana's law faculty; Dr. Raul Barrios Veguez, Justice Ministry specialist; and Dr. Caridad Lafita Navarro, who writes the legal topics column in TRABAJADORES magazine. Mendoza says listeners are welcome to participate in the program by calling in with their questions.

Meanwhile, Mendoza asks Prieto to provide the essence of the changes to the penal code. Prieto says "this deals with general and special issues. There is an undeniable reality—society is developing, life is changing, but the law eventually lags behind compared with the development achieved by a society." She then explains the modifications made to the Cuban penal code in 1979 and 1987. She emphasizes that "people should clearly realize that improving the penal code will not solve the crime problem in our society, or in any society. This is simply an essential instrument to improve not only these penal institutions but to strengthen social discipline to better protect the people, a society's general interests, as well as people's individual rights."

Lafita refers to readers' concern about the goal of the modification.

Barrios answers: "Modifications to the penal code essentially seek to give more flexibility and an adequate individualization to the penal sanction. This has been achieved by following the same principles that resulted in the 1987 code, meaning the modifications give continuity to the principles that were taken into consideration when formulating the 1987 code. There is nothing new concerning the implementation of these principles."

Lafita says the people want to know if the number of crimes listed in the penal code has been increased.

Candia says "the labor code does not include many new crimes—only one, which deals with tax evasion. This is consistent with the recent agreements reached by the National Assembly of the People's Government [ANPP] and all the policies being implemented to put our domestic finances on a sound basis and protect the development of commercial and economic activities currently underway in our country."

Mendoza asks his guests to explain how modifications to the penal code protect individual rights, bearing in mind there are two sides to the story as far as arrests are concerned—the victim's side and the perpetrator's side. Barrios explains that "the main purpose is to provide protection" and Article 1 of the Cuban penal code clearly states it strives "to protect society, people, social order, economic order, political order, and the state." He adds: "Some penal code modifications specifically strive to protect the people. New aggravating circumstances have been created—one of them seeks to protect people against whom a crime is perpetrated while they are carrying out their legal or social duty, or in vengeance or reprisal for their actions."

Lafita comments that people are confused about the difference between a confiscation and a seizure.

Quiros says these two things only have one thing in common, meaning that certain objects or assets in a defendant's possession are taken away by the authorities; but "the differences between the two situations can be included in three or four groups. First of all, objects that can be seized and objects that can be confiscated. Objects that can be seized generally involve a crime and they can be listed in four categories. There are four categories of objects in a defendant's possession that can be seized—only four categories. The first one deals with assets that were used or were intended to be used in the perpetration of a crime, meaning those used by the defendant to perpetrate a crime." Quiros gives examples in which certain objects were used by a criminal to perpetrate his felony and were thus liable to confiscation. "The second category deals with assets that are directly or indirectly the result of a crime. The first are called instruments of a crime and the second ones are the results of a crime." Quiros explains what this means. The third category "deals with assets and objects whose use, consumption, and possession are illegal and were seized from the defendant." Quiros provides examples for this case. "The fourth category—added through the reforms—deals with assets and objects that are in a third party's possession, although this party was not responsible for the crime, but provided that this possession was the means to hide or protect those assets, or to benefit a third party." Quiros adds: "Confiscation deals with all the other cases," meaning "all of the defendant's assets can be confiscated, except those which are necessary to fulfill his vital needs or those of family members under his protection." He explains that the law formerly listed only crimes against the state security" and the reforms have added "two more cases—crimes against property and crimes against the national economy." Talking about seized and confiscated goods, Quiros says "they are destroyed in the case of drugs" but "the rest is given the most useful economic and social use possible."

Prieto, Candia, Barrios, and Quiros later discuss minor points dealing with jurisdiction, appeals, abolishing red tape, and arrests.

PCC Plenum Advocates Incentives for Health Care Workers

PA2307014494 Havana PRENSA LATINA in Spanish 1638 GMT 21 Jul 94

[Text] Havana, 21 Jul (PL)—A special plenum of the Committee of the Communist Party of Cuba (PCC) in

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the capital has advocated the consolidation of a material and moral promotion system for workers in the health sector, a consolidation aimed at improving the quality of health services, it was reported today.

During the first day of the meeting, which was held yesterday, subjective problems affecting the quality of public health services and the people's level of satisfaction were analyzed, the National Information Agency (AIN) has announced.

The source did not specify the incentives to promote employees in this area but said Jorge Lezcano, first PCC secretary in Havana, presided over the forum. Lezcano called on participants to understand the deficiencies registered in the capital's hospitals and clinics, deficiencies which have worsened in recent months.

Lezcano also asked participants to understand the efforts made by doctors, nurses, auxiliary personnel, researchers, and all health workers to find solutions to the problems.

Speaking before other political leaders, officials, and personalities of the [word indistinct] area throughout the country, Lezcano urged participants to restrict treatment to patients and relatives due to the material limitations caused by subjective concerns, among which he listed lack of discipline, lack of control, absenteeism, unneeded services, and disorganization.

Directors of hospitals and institutes, as well as PCC leaders, also discussed the deficit of nurses. They insisted on the need to establish more incentives for health workers, as well as to use resources more rationally.

Among the proposals mentioned during the first day of the party meeting was the proposal to have organizations that have a greater economic capability aid hospitals with food and other materials they lack due to the difficulties the country has faced during the last four years.

Granma Province Situation, Report to Assembly Discussed

FL2507233294 Havana Radio Rebelde Network in Spanish 1600 GMT 21 Jul 94

[Editorial Report] Havana Radio Rebelde Network in Spanish at 1600 GMT on 21 July carries its scheduled "Straight Talk" program, featuring host Osvaldo Rodriguez of BOHEMIA magazine, and guest Luis Sexto, also of BOHEMIA.

Rodriguez says one province is usually appointed at each National Assembly of the People's Government, ANPP, session to submit a report, and Granma Province is scheduled to submit its report at the 3-4 August session.

Sexto says: "This is considered a routine thing" and the report's presentation becomes a "mechanical, excessively routine thing," but Granma has taken this seriously and has rallied the masses in this regard. He adds: "It is one of the provinces most affected by the so-called special period." For example, "the electricity problem has been attenuated in the rest of the country, but Granma has municipalities that still suffer blackouts lasting between 11 and 17 hours."

Rodriguez says the province's report to the ANPP session will surely review all its problems.

Sexto replies that in his opinion, "Granma will not submit a report on its problems;" adding that he believes the province "will submit a report on what it is doing with the meager resources the country has to work with." In fact, he says, "Granma has achieved encouraging results" despite "the general problems that prevail in the country," thanks "to the spirit, optimism, moral strength, and pride with which its people face the situation"—a fact he was able to determine during a recent visit.

Sexto recalls that the province has been producing "between 40 and 50 percent of the country's rice for a long time, and this year Granma has plans and the opportunity to produce 40 percent of the country's rice, using less land." Also, "Granma has become the second largest coffee producer in the country and is determined to keep that position." Sexto refers to the latest changes at province level in the country and says that "many young men have been appointed to decision-making positions within the party and government structures;" adding that "Granma has had an extremely young government structure for quite awhile" because "the average age among the vice presidents of Granma's administration council is 30 years."

Rodriguez asks Sexto about the overall atmosphere in Granma and the people's attitude.

Sexto says people in Granma "face the situation with a creative spirit. I cannot say everything is all right there, nor do I believe they are happy with everything they are doing; but I think a new attitude, a new mentality is emerging in Granma."

Rodriguez comments on the fact that Sexto visited many distant communities in Granma Province, adding that he was surprised when Sexto called him by telephone from San Pablo de Yao, because it is a remote town.

Sexto talks about people's life in the mountains and the way they cope with the situation. Referring to the telephone call to Rodriguez, Sexto says he called "from the top of a hill in San Pablo de Yao," where "Television Serrana's facilities are located." He explains that it "is community television established by UNESCO, Cuban television, and Granma provincial authorities" to carry programs to the community, and that "the television station has been in operation for a year."

Referring to Granma's report to the ANPP session, Sexto says "the spirit of democracy that prevails in the province" is proven by the fact that "the central report was published in a local newspaper, meaning it can only contain the truth."

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Isle of Youth Transportation Overburdened

FL2307001194 Havana Radio Reloj Network in Spanish 1947 GMT 22 Jul 94

[Text] The Transportation Ministry has announced that it is impossible to increase the number of trips to the Isle of Youth and entreats those without reservations not to go to travel agencies or the Batabano or Gerona stations. As a result of the 26 July festivities in that region and the transportation situation, particularly during holidays and weekends, it is requested that customers not unnecessarily congest waiting lists.

On the other hand, the 26 July press center and village will be inaugurated this afternoon as part of the activities linked with observance in the Isle of Youth of the national ceremony marking the Moncada feat. To this end, the Bambo Hotel was refurbished to welcome the accredited press.

Text of EXCELSIOR Article on Guantanamo Incident

94CA0138A Mexico City EXCELSIOR in Spanish 7 Jul 94 pp 2A, 11A

[Article by Gloria Analco]

[Text] Havana, 6 July—The Foreign Ministry stated today that it was unaware of an alleged plot involving lower-ranking officers of the Revolutionary Armed Forces (FAR) and the Ministry of the Interior in Guantanamo to seize the city and encourage military intervention by the United States, it was learned from unofficial sources.

Questioned at a press conference about these rumors, the spokesman for the Foreign Ministry, Miguel Alfonso, stated that he knew nothing of the accounts, underscored that he found them strange, and made no further comment.

According to unofficial sources, State security services succeeded in aborting the alleged conspiracy to provoke a local uprising and then call for the intervention of American troops, who are stationed at the U.S. Naval Base at Guantanamo Bay only a few kilometers from the city of the same name.

According to accounts, the officers' conspiracy included the kidnapping of the Chief of the Eastern Army, General Ramon Espinosa Martin, as well as the leaders of the Communist Party and the People's Government in the province of Guantanamo.

Then, the insurgents would attempt to take over government food warehouses and distribute food among the population in order to quickly gain followers.

Their principal objective, according to our sources, was to create chaos that would lead to intervention by the U.S. forces stationed a few kilometers from the city of Guantanamo.

These accounts have not been confirmed officially. Meanwhile, things are completely normal in the province, say travelers who have come to the capital from that area.

The rumors have come at a time when the province of Guantanamo, located in the far east of the country, is undergoing a severe crisis in the aftermath of last year's "storm of the century" and the intense rainfall of recent weeks, which have severely hurt the local economy.

The commander in chief of the FAR, Raul Castro Ruz, visited the Eastern Army a month ago as part of a routine tour of the three army corps on the island.

On this occasion, his visit focused on improving military preparedness and on plans to set the army working in agricultural production, with a view towards making it self-sufficient while it cooperates in national economic efforts.

Cuba has repeatedly denounced the danger of a provocation by the U.S. naval base in Guantanamo that would pave the way for military intervention in the island.

Local experts consulted on the matter recalled that ever since the early years of the victorious revolution the CIA has been concocting plans to make it seem as though members of the Cuban military were conspiring against the government.

During the Bay of Pigs invasion the attacking forces were supported by planes painted with the emblem of the Cuban Air Force so that people would think they were Cuban planes.

According to unofficial accounts, those involved in the Guantanamo rebellion were relocated to this capital and the insurgents are being interrogated to reveal details and the motives that prompted them to attempt such a scheme.

Roundup of Politburo Members' Activities 13-21 Jul

FL2207180094

[Editorial Report] The following is a compilation of reports on the activities of members of the Politburo of the Central Committee of the Communist Party of Cuba monitored between 13 and 21 July. Sourceline follows each entry in parentheses:

Alfredo Jordan stated during a visit to Matanzas Province that having man linked to the area of work is essential to increase agricultural production. (Havana Radio Rebelde Network in Spanish 2300 GMT 13 Jul 94)

Yadira Garcia Vera, first secretary of the Cuban Communist Party in Matanzas Province and member of the provincial Defense Council, announced that Varadero became the first municipality to attain the ready-for-defense-in-the-second-phase status in the province. The announcement was made during an Administrative Council meeting.

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Pedro Ross Leal and Carlos Lage Davila attended a meeting of the Cuban Workers Federation national secretariat, with the participation of national unions representatives and provincial leaders. (Havana Radio Reloj Network in Spanish 1935 GMT 20 Jul 94)

Jorge Lezcano Perez attended a Cuban Communist Party provincial plenum at Olo Pantoja School, in Havana. (Havana Radio Rebelde Network in Spanish 2300 GMT 20 Jul 94)

Jorge Lezcano Perez and other authorities on 21 July in Havana City inaugurated two facilities, one producing (Salbutamol) aerosol and the other producing vaccine for hepatitis B. At the Calixto Garcia Hospital two new sections, endoscopic surgery and nephrology, were also inaugurated. Lezcano also visited 40 tourist cabins in the Old Man and the Sea hotel Complex, at Hemingway Marina, and other newly constructed facilities in salute of the 26 July anniversary. (Havana Radio Progreso Network 1100 GMT 22 Jul 94)

Haiti

Homemade Bomb Explodes in Port-au-Prince Suburb

FL2507185794 Port-au-Prince Signal FM Radio in French 1030 GMT 25 Jul 94

[Text] A powerful explosion from a homemade bomb occurred last night in Port-au-Prince at 2320. According to an unconfirmed police report, the explosion took place in the Petite Place Cazeau area, a Port-au-Prince suburb. It is not known whether there were any casualties or material damage.

Similar explosions caused at least five deaths in the past three years. The police attribute the explosions to supporters of President-in-Exile Jean-Bertrand Aristide. Several homemade bomb explosions, with neither victims nor damages, were claimed during the same period by the mysterious New Indigenous Army.

Group Claims Responsibility

PA2507173794 Paris AFP in Spanish 1644 GMT 25 Jul 94

[Text] Port-au-Prince, 25 Jul (AFP)—In a communique sent to AFP today, the "Indian Armed Forces" (FAI) claimed responsibility for Sunday's explosion in Port-au-Prince. No casualties were reported in the blast, which apparently was caused by a homemade bomb. In the past, the FAI, formerly known as the "New Indian Army," has claimed responsibility for similar attacks. Usually, the bombs are detonated overnight and cause no damage or casualties; the FAI normally claims responsibility the next day.

Government Dismisses Court Commissioner

FL2507202494 Port-au-Prince Radio Metropole in French 1045 GMT 25 Jul 94

[Text] The news includes the 22 July dismissal of the government commissioner to the Port-of-Prince Civil Court in Port-au-Prince. This government decision was reported to be a reaction to the release of a drug trafficker by certain judiciary authorities. In a 22 July communique, the provisional government's Ministry of Justice indicated that it was reacting to those who supported the drug traffickers by facilitating their release.

The Ministry of Justice cited a number of dismissals, notably that of the government commissioner to the Port-au-Prince Civil Court, Attorney Wilson Ciceron. In its memorandum to the commissioner to the 15 courts of first instance of the Republic, the Ministry of Justice reiterated the government's determination to take all necessary measures against drug traffickers. The Ministry of Justice indicated that it would tolerate no indulgence toward drug traffickers, whether Haitian or foreign, by commissioners and judges.

Media Protest 'Untrue' Government Allegations

FL2507213094 Port-au-Prince Signal FM Radio in French 1030 GMT 25 Jul 94

[Text] The directors and owners of private media in the capital vehemently protest untrue, unwarranted allegations. This is a summary of a note of clarification published on 22 July by the media directors.

Following a press release by the Ministry of Information, Culture, and Coordination dated 21 July, relating to a meeting between media owners and directors, and USIS director Stanley Schrager. The undersigned directors and owners made it a point of explaining the following:

The initiative of a meeting with the USIS director came from media owners and directors in an effort to express their concerns following the publication of articles in the U.S. press, including the 18 July issue of NEWSWEEK, pages 40-43; and an article published on page 34 of U.S. NEWS AND WORLD REPORT [date not given]. This article refers to an attack plan aimed at the radio stations within the scope of a possible military invasion of Haiti. The second point in this clarification note is that contrary to the press release by the Ministry of Information, Culture, and Coordination, it has never been a question of knowing what attitude the media would adopt before, during, and after a possible invasion of Haiti. The communique notes that such a debate would be totally out of the question. As for the sentence saying: I want to know who our enemies are, the media owners and directors who were present at this meeting assert that such a question was never raised. If it had been, these media directors would have put an abrupt end to the meeting.

The next point tackled was: Would you feel more at ease if the radio station antennas were bombed? This again is quite paradoxical because this has never been a question, say the media directors and owners who attended the 19 July meeting.

The note of clarification says that the Ministry of Information's communique said that the media directors had

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been enjoined to prohibit the Haitian Armed Forces from having any access to the media facilities. The media directors say this is untrue and does not at all reflect the subject of the discussions with the USIS director. The media owners and directors vehemently protest these untrue allegations, the purpose of which remains baffling to them. They make it a point to explain that the initiative of meeting with the USIS director was planned with all the founding members of the Private Media Owners Association—including even those who were absent and were congratulated by the Ministry of Information—and who promised to be present at this meeting. The media owtners and directors, who could at no time begin a controversy with the Ministry of Information, which could only remain sterile, they say. These media owners and directors reiterate their position of professional independence in the face of the grave situation that threatens the freedom of the press and the right to free enterprise in Haiti. The media owrers and directors signed on behalf of Radio Caraibes Tropic FM, Magik Stereo, Signal FM, PVS Antenne 16, Radio Tropical, Radio Galaxie, Radio Superstar, and Telemax.

MDN: Intervention Could 'Spark' Third World War

FL2507223694 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 94

[Text] Hubert de Ronceray's party, Mobilization for National Development, MDN, condemns Butrus-Ghali's resolution for the deployment of a 15,000-man force in Haiti. MDN considers this plan a declaration of total war against Haiti, a plan, according to MDN, which augurs the same treatment for the countries of the Caribbean, Latin America, and the Third World, reflecting the return of all forms of fascist domination that bathes the planet in blood.

In the eyes of Professor De Ronceray's party, this intervention and occupation plan of the UN secretary general aims at totaly crushing the Haitian military institution and replacing it with a foreign Army of 15,000 men under U.S. sponsorship. According to MDN, this plan also aims to place all of the country's political, social, economic, financial, administrative, and cultural institutions under international rule.

Hubert de Ronceray's party asserts that overall, it boils down to providing democracy, but without Haitians. The plan carries within it the spark of a third world war. Acording to MDN, this plan precipitates the demise of the United Nations, dooming it in the eyes of history.

Electoral Council Meeting To Organize General Elections

PA2507231794 Madrid EFE in Spanish 2229 GMT 25 Jul 94

[Text] Port-au-Prince, 25 Jul (EFE)—The Haitian Electoral Council, headed by "de facto" Prime Minister Marc Louis Bazin, announced today that it will meet with leaders of various political parties to organize general elections.

The Electoral Council publicly announced that it will hold "exploratory meetings with the political parties to establish a reliable and trustworthy electoral system."

The announcement was made before the United Nations published a draft resolution today saying that it will consider authorizing a multinational force to use "all necessary means," under the supervision of observers, for the prompt restoration of the constitutional government headed by Jean-Bertrand Aristide, overthrown in September 1991 by a group of military officers.

The meetings announced by the Haitian Electoral Council will begin tomorrow and will continue until 4 August, according to a press communique released today.

Commission Formed To Amend Constitution

FL2507235294 Port-au-Prince Radio Metropole in French 1600 GMT 25 Jul 94

[Passages within italics in Creole]

[Text] A bill of amendment to the 1987 Constitution exists in the parliament. A 15-member commission has been formed to meet with various institutions in the country for possible analyses and recommendations for adapting the 1987 Constitution to our political, social, economic, and cultural mentality. First secretary of the lower chamber, Deputy Emmanuel Reyme, says this commission is due to present a report about its activities before the end of August.

[Begin recording] [Reyme] We feel a sort of determination among the deputies to close the legislature the same way they began it. It began well and they want it to close well. Only one commission was formed. A second was supposed to be formed, but the second commission depends directly on the features of the finance commission. It has therefore not been formed. The finance commission is in charge of ruling on the monetary ceiling voted on in the Senate.

Regarding the bill on the amendment to the Constitution, a commission has been formed. Since the work is important and time is running out, we ask all concerned parties to work through that commission to present their analyses and suggestions for making our Constitution adaptive to our political, social, economic, and cultural mentality. This commission includes deputies such as Walto Augustin, Reyme, Clerval, Appolon, Antoine Joseph, Duly Brutus, Evans Beabrun, Regis [Olipcial], Lonnes Joseph, [Josue] Lafrance, [Talendier] Desjardins, Paris Moise, Edmonde Supplice Beauzile, Jacques Seignon, and Deus Jean-Francois.

[Reporter] *What is the deadline for the commission's report to the assembly?*

[Reyme] *Since the second Monday in September is the closing date, the commission is due to complete the work by August in order to present a serious report.*

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[Reporter] *Will you take the provisions of the Constitution into account when amending it—that is, will the decision be made by a two-thirds majority of the assembly's members?*

[Reyme] *We are not going to get into the amendments. We will present the problems within the Constitution. We will make some proposals for amendment.*

[Reporter] *What is the difference between the proposal of amendment and the amendment? Does the Constitution not provide for you deputies of the 45th Legislature to make the amendments? [Reyme] No. We raise the questions. We make proposals. The 46th Legislature will create the amendments. We only need to make proposals. We are not allowed to make any amendments.* [end recording]

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PRD Candidate for Chiapas Governor Injured in Car Accident

PA2607032694 Mexico City Radio ACIR Network in Spanish 0000 GMT 26 Jul 94

[Report by Javier Cruz de la Fuente from Tuxtla Gutierrez; from the "Evening News Panorama" newscast]

[Text] As we reported earlier today, it was approximately 0640 when a (Kiwar) trailer without license plates or identifying marks and with just a logo reading Autotransportes Chihuahua hit the 1992 Suburban station wagon, license plate DLK 1607, driven by Amado Avendano Figueroa, PRD [Party of the Democratic Revolution] candidate for governor of Chiapas State. The accident occurred about 30 km from Pijijiapan, between Arriaga and Tapachula on the coast of Chiapas State.

Jorge Fonseca Garcia, 33 years old; Rigoberto Mauricio Villafuerte, 27 years old; and Jose Jaime Aguilar Almaraz, all from San Cristobal de las Casas, were killed. Candidate Amado Avendano Figueroa is originally from Mapastepec, Chiapas but is a longtime resident of San Cristobal de las Casas.

According to a report issued at noon by Dr. Alfonso Obando Vasquez, director of the IMSS [Mexican Social Security Institute] Clinic in Tonola where Amado Avendano Figueroa was given first aid, the candidate has a fractured skull and two broken ribs which have caused a thoracic [word indistinct]. The candidate's life is endangered by the fracture in his skull.

According to a report released a few minutes ago by Dr. Virginia Rodas Vasquez, director of the IMSS at Tapachula, Chiapas, where Amado Avendano Figueroa was taken, he was transferred to Mexico City about an hour ago aboard a private flight of a commercial airline to the IMSS at Mexico City.

When Mrs. Irma Serrano was candidate for the Cardenist Front a long time ago, she was also involved in an automobile accident along that same curve, which is 30 km from Pijijiapan. How is that for a coincidence? Amado Avendano was in another automobile accident a short time ago along this same highway. It is indeed a coincidence.

A few minutes ago I was talking over the telephone with Justice Attorney [procurador de justicia] Arturo Becerra Martinez, and he told me it is a coincidence and nothing but an automobile accident.

Government Secretary Comments

PA2607032994 Mexico City Radio ACIR Network in Spanish 0000 GMT 26 Jul 94

[Report via telephone by Mario Alberto Medina from the offices of the Government Secretariat in Mexico City; from the "Evening News Panorama" newscast]

[Text] After a trailer crashed into a convoy of PRD [Party of the Democratic Revolution] vehicles this morning, leaving Amado Avendano Figueroa, the PRD candidate to the post of Chiapas governor, seriously injured, Government Secretary Jorge Carpizo McGregor deemed it of national interest to request the assistance of the National Human Rights Commission in the investigations the Chiapas Attorney General's Office is conducting.

The request is included in a news communique issued by the Government Secretariat which also states Carpizo McGregor has already talked about this unfortunate event with Chiapas Governor Javier Lopez Moreno. The bulletin asserts that with due respect to the sovereignty of Chiapas State, the Government Secretariat will be very attentive to the development of the investigations, which, it underscores, must be carried out thoroughly, quickly, and assiduously.

The bulletin ends by stating Dr. Carpizo has already expressed his condolences to the relatives of the victims of the regrettable occurrence and has expressed his backing and wishes for a prompt recovery to the relatives of Amado Avendano Figueroa.

Gubernatorial Candidates Issue Communique

PA2607035794 Mexico City Radio ACIR Network in Spanish 0000 GMT 26 Jul 94

[Report by Javier Cruz de la Fuente in Tuxtla Gutierrez, Chiapas State, from the "Evening News Panorama" newscast]

[Text] Chiapas State gubernatorial candidates Cesario Hernandez Sanchez; Eduardo Robledo Rincon; Milquiades Hernandez Hernandez; Eder Rodriguez Marto; Eda Antonia Mina Jimenez; Leonardo Leon Cerpa; Octavio Conde Ruiz; and Ivan Camacho Centeno; members of the National Action Party, Institutional Revolutionary Party, Popular Socialist Party, Mexican Green Ecologist Party, Cardenist Front for National Reconstruction Party, Authentic Party of the Mexican Revolution, and Mexican Democratic Party, respectively, have agreed because the current electoral process is a very delicate matter, to demand that the Chiapas State government, headed by Javier Lopez Moreno and State Attorney General Arturo Becerra Martinez, provide information about the accident suffered by PRD [Party of the Democratic Revolution] candidate Amado Avendano Figueroa.

The candidates demand, among other points, the absolute clarification of events. They also want to make it very clear that the political parties, through their leaders, will form a commission to immediately participate in the investigations together with the appropriate authorities. The communique states: We demand that this commission contribute so the people of Chiapas can learn the truth and that the authorities strictly adhere to the law.

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The eight candidates express their sorrow and concern for their fellow candidate Amado Avendana Figueroa and they express their wish for his rapid recovery.

The joint declaration ends by stating: The candidates express to relatives, friends, and fellow citizens of Chiapas, to those who lost their lives in this accident, our regrets and solidarity. The candidates of the eight political parties express to the people of Chiapas our concern over this regrettable incident, and we point out to the peace-loving public that we should not jump to conclusions. We must first calmly learn the results of the investigations.

The governor of Chiapas said a few minutes ago he has already instructed State Attorney General Arturo Becerra Martinez to begin the investigation and to prosecute those responsible.

AMB President Says 'Only Ernesto Zedillo' Promotes Economic Certainty

PA2607043394 Monterrey EL NORTE (Foreign Edition) in Spanish 22 Jul 94 p 1A

[Report by Victor Aleman]

[Text] Only Ernesto Zedillo can guarantee a reduction in interest rates and economic certainty, Roberto Hernandez, president of the Mexican Banking Association [AMB], said here yesterday.

During a speech at the Second Agrobusiness Seminar, Hernandez said that only if Ernesto Zedillo wins the 21 August elections can interest rates return to levels reached in February, when they were 10 percent.

"This is very important to generating confidence. The situation will vary depending upon who wins. I believe—and I have said this publicly before—that Ernesto Zedillo is the candidate who will generate the most confidence.

"This is not a political campaign. It is not the same to have interest rates at 12 percent, like last February, as to have them at 50 percent," Hernandez added.

The banking leader added that in order to reduce interest rates, it is necessary to reduce economic uncertainty.

"A fluctuation in interest rates does not depend on the banks. Uncertainty is the key ingredient in keeping interest rates high.

"We predict that uncertainty will begin to decline considerably after 21 August. We saw this last year with the instability created by the signing of NAFTA. After it was signed, interest rates fell below 9 percent," Hernandez remarked.

The banker said that if Diego Fernandez de Cevallos wins, the key factor to observe would be the speed with which he would present his economic plan and the quickness with which it would be accepted.

"We would have to see how quickly he can present his economic programs and how quickly he can bolster confidence in the economy," Hernandez asserted.

"The key here is not quality but the speed with which the people will accept these programs," he added.

The AMB president said that the democratic opening in Mexico is under way and is naturally causing some doubts.

He also stated that Procampo [Program of Direct Support to the Countryside] will make it possible to increase credits for the agricultural sector because the program's flow of revenues for the next 15 years guarantees loan payments.

Roundup of Economic Developments

PA2607042294

[Editorial Report] The following is a compilation of reports on Mexican economic developments monitored through 25 July.

The Mexican trade balance accumulated a $7.2 billion deficit during the first five months of the year, according to data published today by the Secretariat of Treasury and Public Credit, SCHP. According to the SCHP and the Bank of Mexico, exports in 1994 increased by 17.3 percent, imports by 19.3 percent, while there is a significant decrease in sales in the Mexican petroleum sector. (Madrid EFE in Spanish 1940 GMT 18 Jul 94)

According to official data between May 1993 and May 1994, the economic recession caused the dismissal of at least 102,000 workers. Data disclose less than half of the active economic population—that is, 25 million Mexicans—hold permanent jobs. The industrial sector stopped generating jobs, while the services sector registered an increase. (Mexico City LA JORNADA in Spanish 18 Jul 94 pp 42, 52)

An economic analysis by EL FINANCIERO indicates the Bank of Mexico has intervened in operations in the primary money market during the past one and a half months in order to avoid a significant increase in local credits, given this would have resulted in a halt in productive activity. Investors have pressured for an increase in interest rates for Treasury Certificates to almost 20 percent due to political-financial uncertainty (Mexico City EL FINANCIERO (ANALISIS Supplement) in Spanish 19 Jul 94 p A3)

The total open trade model is conditioning benefits for the domestic economy by registering a fall in the gross national product for exports, resulting in imports growing at a quicker rate than the economic activity. According to experts, the United States is aggressive in its foreign trade with Mexico, taking maximum advantage of NAFTA. (Mexico City EL FINANCIERO (ANALISIS Supplement) in Spanish 20 Jul 94 p 3)

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Deputy Trade Secretary Herminio Blanch said in Chiapas today Mexico registered $6.5 billion in foreign investment during the first five months of the year, setting a record. (Mexico City XEW Television Network in Spanish 0430 GMT 21 Jul 94)

Mexican Petroleum Exports and Production surpassed by 28,000 barrels per day the goal achieved during the past two years in the first five months of the year. According to official reports, the production of crude was 2.7 million barrels per day from January to May, while the report for 1992-1993 indicated 2.673 million barrels per day. A total of 74.1 percent of this production comes from the Campeche marine area. (Mexico City LA JORNADA in Spanish 21 Jul 94 p 47)

The Mexican Telephone System, TELEX, has reported $1.4 billion in earnings for the first six months of the year, 0.7 percent less than the same period in 1993. TELEX, which represents 30 percent of the market on the Mexican exchange, was privatized in May 1992. (Madrid EFE in Spanish 1829 GMT 22 Jul 94)

The U.S. tuna embargo against Mexico, effective since February 1992, has resulted in the reduction of the fleet by 50 percent, according to the national chamber of this sector. The shrimping fleet docked in Ensenada Port had reduced the number of boats from 87 to 40 during the past four years. (Mexico City NOTIMEX in Spanish 0802 GMT 23 Jul 94)

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Costa Rica

President Reaffirms Refusal To Accept Haitian Refugees

PA2507153394 Havana PRENSA LATINA in Spanish 1434 GMT 25 Jul 94

[Text] San Jose, 25 Jul (PL)—Costa Rican President Jose Maria Figueres today reaffirmed that his country will not welcome Haitian refugees, although Costa Rica is willing to offer assistance for camps that might be set up elsewhere in Central America.

Figueres made his statement two days after the Presidency Press Office issued a communique stating that the six presidents of the isthmus had voiced willingness to join the international effort to facilitate temporary housing for the inhabitants of that Caribbean nation.

The president explained that his country switched its position because the situation in Haiti has worsened, and he also pointed out that it has not yet been confirmed whether any Central American country will install refugee camps in its territory.

Figueres said each nation of the region will prepare an inventory of possible assistance options in early August in an effort to reach an agreement at a meeting of the presidents of the isthmus in Costa Rica on 18-20 August.

El Salvador

Foreign Minister: Country Unable To Receive Haitians

PA2507212594 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 25 Jul 94

[Report by Dagoberto Coreas; from the "Facing the Moment" newscast]

[Text] The foreign relations minister has said that El Salvador is unable to receive Haitian refugees.

Thousands of Haitians are waiting for Central American presidents to offer them safe haven in their respective countries. Foreign Relations Minister Oscar Santamaria affirmed this Monday that El Salvador is unable to offer shelter to Haitians. After several weeks of negotiations, the Central American governments agreed to receive, on a temporary basis, thousands of Haitians fleeing terror and extreme poverty on that Caribbean island.

The presidents have made the reception of Haitian refugees conditional upon the domestic capabilities of each country, the country's size, and the problems of overpopulation.

[Begin Santamaria recording] Well, El Salvador has precisely those characteristics. It has just gotten over a war and there is a sequel at hand. Everybody knows we are dealing with repatriated and demobilized individuals. This leads us to believe that El Salvador—even if we have the desire to offer an affirmative response—cannot offer safe haven to Haitians.

Additionally, as I said before, we have problems with the size of our country, we have overpopulation problems. Under these conditions, no country could support refugees. [end recording]

The Presidency Information Secretariat issued a bulletin over the weekend reporting that the governments of the region were ready to receive refugees. However, it did not clearly explain the position of the Salvadoran Government.

Santamaria noted that El Salvador supports UN and OAS actions to restore democratic order in Haiti.

[Begin Santamaria recording] So far we have not been asked to participate in a peacekeeping mission. We would be willing to contribute within the framework of UN and OAS resolutions on the issue of asylum and refuge for these people.

Regarding other types of contributions, we would be willing to help restore democracy in Haiti within other frameworks. [end recording]

Guatemala

Police Report U.S. Tourists Robbed, Girl Raped

PA2507182694 Panama City ACAN in Spanish 1640 GMT 25 Jul 94

[Text] Guatemala City, 25 Jul (ACAN-EFE)—A band of criminals has raped a U.S. minor and robbed 16 [figure as received] U.S. tourists as they climbed Pacaya Volcano, about 80 km south of the Guatemalan capital, official sources reported today.

National Police spokesman Gonzalo Figueroa told ACAN-EFE the group was surprised by six men on Friday, 22 July, who robbed them of their personal belongings and $700. The 14-year-old girl, who was part of the tour group and whose identity is being withheld, was taken to a private hospital and her condition is not known, Figueroa stated.

The attack on the U.S. citizens took place at a time when Guatemala is asking the U.S. State Department to remove the country from the list of countries considered dangerous for tourists. Since last March, the U.S. Government has imposed a "travel warning" [preceding two words in English], asking U.S. citizens to refrain from visiting the Central American country because of its high crime rate.

De Leon Carpio Deplores Attack

PA2607034394 Guatemala City LA REPUBLICA in Spanish 25 Jul 94 p 2

[Text] President Ramiro De Leon Carpio last night described as "regrettable" and deplorable the attack on

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19 [figure as published] U.S. tourists by common criminals on the slopes of Pacaya Volcano. De Leon Carpio also said that soldiers and policemen will be assigned to patrol the streets to control crime.

The president said that investigations are being conducted to find and punish those responsible "because this is an act of violence that must be solved as soon as possible to ensure that Guatemala's image is not tarnished" and because crime cannot go unpunished.

The president said that many crimes committed by common criminals go unpunished because the security forces do not have the necessary technical elements or training to fight violence. He added that in many countries, including the United States, similar violent acts are carried out against foreigners. The president added that "Guatemala is not the only place where tourists are victims of robbery and assault by common criminals."

De Leon stressed, however, that this was not a crime against a specific group of tourists but an isolated incident that can be countered if the international community cooperates with civilian forces and, in matters of security, ends the "vicious cycle."

Honduras

Foreign Minister Confirms Acceptance of Haitian Refugees

PA2507202094 Hamburg DPA in Spanish 1915 GMT 25 Jul 94

[Text] Tegucigalpa, 25 Jul (DPA)—Honduran Foreign Minister Ernesto Paz Aguilar today confirmed his country will welcome Haitian refugees, but he gave no details on the number or the sites where these people fleeing from Haiti will be housed.

Paz Aguilar pointed out that the acceptance of Haitian refugees is a mechanism to temporarily resolve the problems in the Caribbean nation. The Honduran foreign minister said the Haitians' problems will be permanently resolved as soon as constitutional order returns to the nation.

A military coup in 1991 toppled President-elect Jean-Bertrand Aristide, and since then the international community has sought to reinstate his government.

Aguilar Paz explained that the Haitians will only be in Honduras temporarily, and he added that they will not be permitted to move freely about the country.

On Saturday, the Central American presidents issued a declaration announcing that the region would welcome Haitian refugees, but because of a number of limitations, Guatemala, El Salvador, and Nicaragua excluded themselves, and Costa Rica immediately said that it would not accept refugees but, instead, would assist the countries that welcome them.

Paz Aguilar noted that Honduras welcomed 450 Haitians in 1991, and he admitted that it was detrimental to the citizens. Today, only 61 of those refugees remain in Honduras.

When asked whether the acceptance of refugees was prompted by U.S. pressure, the Honduran foreign minister said, "We have the responsibility of drafting strategies that defend our national interests."

Paz Aguilar also noted that the U.S. market receives 50 percent of all Honduran exports and that Washington is the main supplier of financial aid to Honduras. The Honduran foreign minister said that the presence of Haitian refugees will not cost the country a single penny, adding that, quite the contrary, it should bring benefits.

Location for Haitians Undecided

PA2607013694 Panama City ACAN in Spanish 2253 GMT 25 Jul 94

[Text] Tegucigalpa, 25 Jul (ACAN-EFE)—Honduras could receive approximately 40,000 Haitian refugees, a presidential adviser announced today. Foreign Minister Ernesto Paz Aguilar has neither confirmed nor denied the reports. He has admitted, however, his country will accept an undetermined number of Haitians.

Paz Aguillar has said the location where the Haitians will be installed or the number of refugees has not been decided yet.

Presidential Adviser Dante Gabriel Ramirez told local journalists Honduras could accept up to 40,000 Haitians in order to contribute to the alleviation of the Haitian crisis.

Paz Aguilar has said that the six Central American nations are analyzing the Haitian situation and that Honduras, Belize (a country that politically belongs to the Caribbean region), Costa Rica, and Panama are the only countries where conditions exist to receive the Haitian refugees.

He has added the Haitian refugees will be "isolated" in Honduras and will be unable to move freely in Honduran territory.

Honduras has also reiterated it does not favor a U.S. military intervention in Haiti but would agree to a multinational peace operation to restore democracy in that Caribbean nation.

Government Seeking U.S. Support

PA2507220294 Panama City ACAN in Spanish 2052 GMT 25 Jul 94

[Text] Tegucigalpa, 25 Jul (ACAN-EFE)—Honduran Foreign Minister Ernesto Paz Aguilar said today that because of Honduras' interests with the United States, Honduras will accept an as of yet undetermined number of Haitian refugees.

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Honduras needs Washington's support in the UN Security Council, of which it is a member. In addition, the United States is the biggest buyer of Honduran exports and the main source of bilateral aid. Most of Honduras' imports come from the United States.

The Honduran Government has been the only Central American government to respond affirmatively to a U.S. request for the countries of the area to receive Haitians fleeing General Raoul Cedras' de facto regime, in power since 1991 when it overthrew President Jean-Bertrand Aristide. The United States failed in earlier efforts to get Panama to accept Haitian refugees. dd

Nicaragua

Chamorro: Economic Crisis Precludes Refugee Acceptance

PA2507215194 Panama City ACAN in Spanish 2013 GMT 25 Jul 94

[Text] Managua, 25 Jul (ACAN-EFE)—Nicaraguan President Violeta Chamorro declared today, Monday, that due to the serious economic and social crisis in this Central American nation, "I cannot receive" Haitian refugees in Nicaragua "even if they pay me." "I definitely cannot receive (the Haitians)," Chamorro replied when asked about her position on the Haitian crisis after the Central American presidents promised to join international efforts to further the acceptance of refugees on a temporary basis.

The Nicaraguan president emphasized that her government does not support "an invasion of any country" because "problems are not solved by invasions." Conflicts "are solved by talking and resolving problems within each country," the Nicaraguan president asserted during a brief encounter with the press after inaugurating a health clinic to care for Social Security recipients.

Nicaraguan Foreign Minister Ernesto Leal clarified that the second part of the statement issued by the regional presidents on the Haitian case establishes that "the agreement to receive Haitian refugees also acknowledges that it will be impossible for several states to do so." The foreign minister stated: "Given the situation in Nicaragua, of which everyone is aware, we cannot afford the luxury of receiving Haitian refugees." Leal added: "We have always said that we cannot have foreign citizens living in better conditions... than Nicaraguans themselves."

Nevertheless, Leal said the Managua government has expressed its willingness to cooperate with the Central American countries that want to receive Haitian refugees fleeing political violence in Haiti. He emphasized, however, that "at this time we cannot say what we will offer because we have not received any requests" from the other governments in the region. "We have to wait for the results of the peaceful measures that are being implemented" to resolve the Haitian crisis, Leal said after pointing out that "it would be hasty to think of a military invasion" of this Caribbean country.

Panama

Officials Express Doubts Over Plane Bombing Claim

PA2507200994 Hamburg DPA in Spanish 0535 GMT 25 Jul 94

[Text] Panama City, 25 Jul (DPA)—Panamanian Immigration Department Director Antonio Dominguez says he doubts that the possible attack on a plane that exploded after taking off from Colon last week was perpetrated by an Arab terrorist group.

Dominguez, who is a member of the important Government Committee Against Crime, told DPA: "It is easy to claim an attack that has already been carried out."

The adviser of President Guillermo Endara added: "They are trying to frighten Jews in the Middle East by claiming responsibility for the plane attack in Panama."

According to international news reports, an extremist Arab group called "Ansar Allah," or Guerrillas of God, has claimed responsibility for the attack on the Panamanian plane, which killed its 21 occupants, 18 of whom were executives of the Colon Free Zone—the largest free trade zone in the Western Hemisphere. Twelve of the executives were Panamanian Jews. The local media have paid most attention to Saul Schwartz, because he was kidnapped last year and was linked in Italy to an alleged money laundering ring. One of Schwartz's relatives also was the victim of an attack by unidentified individuals recently.

Dominguez said, "When the truth is finally known, it will be wrong to say the terrorist action was carried out by the Arabs." Assistant Prosecutor Carlos Augusto Villalaz said we cannot speculate and say the plane crash resulted from a bomb.

Meanwhile, Civil Aeronautics Director Zosimo Guardia played down reports that an Islamic terrorist group had claimed it carried out an attack on the plane. What members of the group are seeking is publicity for themselves, the aviation official said. Guardia added: "Before the Guerrillas of God claimed responsibility for the attack, a group of Colombian drug traffickers claimed responsibility; in turn, we do not know who to believe."

Legislative Assembly Approves Narcotics Law

PA2507181294 Panama City EL PANAMA AMERICA in Spanish 22 Jul 94 p 1A

[Report by Carlos Vargas]

[Text] A plenary session of the Legislative Assembly yesterday approved in a third and final debate a bill establishing measures to combat and wipe out the crime of drug

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trafficking. The new law will also create two prosecutor's offices that will specialize in drug violations.

This initiative is a hybrid of a proposal presented by the assembly's Narcotics Committee and another proposal presented by Attorney General Jorge Valdes. The new law is said to be among the hemisphere's most modern in the fight against drug trafficking and money laundering.

The law includes recommendations made by the UN Convention on Illegal Trafficking in Drugs and Psychotropic Substances held in Vienna in 1988.

District Attorney Adolfo Montero pointed out that this law is a legal instrument to help the Public Prosecutor's Office combat drug trafficking and money laundering.

The law will create two prosecutor's offices specializing in drug-related crimes. Although these offices will be headquartered in the capital, they will have national jurisdiction.

The law establishes a maximum prison term of 20 years for anyone convicted of illegally buying, selling, or transferring drugs to minors or the mentally ill. The same punishment will be applied to those trafficking in drugs while bearing weapons or while taking advantage of their position as public servants.

The law will punish international drug trafficking with a prison term of 8-15 years, and it will establish severe penalties for those who commit the crime of money laundering.

This initiative will allow the creation of undercover agents and the possibility of setting up sting operations [entregas de drogas vigiladas] as legal means to help authorities dismantle drug trafficking rings.

The Public Prosecutor's Office is also empowered to intercept telephone calls of people under investigation for the crime of drug trafficking. The law also includes a chapter on the rehabilitation and treatment of addicts.

Poll Shows 76 Percent Oppose Accepting Haitians

PA2507165294 Panama City LA PRENSA in Spanish 23 Jul 94 p 1A

[Report by Manuel Alvarez Cedeno]

[Text] According to a Dichter and Neira poll, 76 percent of the Panamanian people oppose granting asylum to 10,000 Haitian refugees, while 61.4 percent assure that President Guillermo Endara became the butt of international "ridicule" by accepting the Haitians and then later going back on his word.

The poll was conducted by the company 15-17 July nationwide among 1,210 people of legal age.

Company Director Leopoldo Neira explained that the poll was conducted in light of public interest on the Haitian issue.

A total of 76 percent of those polled opposed Panama offering refuge to 10,000 Haitians, 20.7 percent favored doing so, and 3.3 percent did not express an opinion.

President Endara had offered to receive 10,000 Haitians but later changed his mind. President-elect Ernesto Perez Balladares said he would accept an unspecified number of the Caribbeans; however, he added, they would have to stay on U.S. military bases.

A total of 44.9 percent of Panamanians accepted Perez Balladares' decision, 51.1 percent rejected it, and 4 percent did not express an opinion.

According to 61.4 percent of those polled, Endara became the butt of international "ridicule" by agreeing and later going back on his word, 35.2 percent did not agree with this, and 3.4 percent did not express an opinion.

After Endara went back on his word, Perez Balladares assured that the president faced "international ridicule," thereby producing tension between the two men.

A total of 51.7 percent polled favored granting refuge to 1,000 Haitians for six months, 45.6 percent opposed this, and 2.7 percent did not express an opinion.

On the Haitian issue, Endara and Perez Balladares each have been accused by various sectors of being a "yes man" [previous two words in English] or an unfailing supporter of the U.S. Administration.

Meanwhile, 37 percent of those polled said Perez Balladares' decision worsened his image domestically, 25.5 percent said it improved his image, 31.2 percent said his image remained the same, and 6.3 percent did not express an opinion.

However, 52.7 percent polled said the president-elect's international image had been strengthened, 25.1 percent said it remained the same, 17.5 percent said it fell, and 4.7 percent did not express an opinion.

Also, 59.8 percent said they were against an invasion of Haiti as a means to reestablish democracy on the Caribbean island, while 35.6 percent were in favor of this solution.

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Argentina

Government Will Not Modify 'Pro-Jewish' Position

PY2507164194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1912 GMT 22 Jul 94

[Text] Buenos Aires, 22 Jul (NA) — Foreign Minister Guido di Tella today warned that the government will not modify its "pro-Jewish position, nor is it going to change its domestic and foreign policies due to terrorist crimes."

Di Tella said that next week he will inform the national Congress about his meeting with U.S. representatives, and he believed that "if the U.S. House of Representatives is informed, then there is all the more reason to do the same with the Argentine Chamber of Deputies."

"It is suspected that some local individuals participated because it is very difficult for someone without any type of connection to arrive by plane with a suitcase loaded with explosives," the foreign minister said in remarks to a local radio station.

He also indicated that the government had asked for the cooperation of "U.S. intelligence organizations" because "without international help it is very difficult to investigate this type of incident."

Di Tella stressed that he did not feel criticized by the address given by Ruben Beraja, head of the Argentine-Israeli Associations Delegation [DAIA], during the rally of repudiation that was held in front of Congress, and he maintained that "Argentina as a whole was the victim of the attack."

"We are all victims—the Jewish community in particular, and Argentina in general. We are common victims of a terrible incident," the foreign minister emphasized.

He said that "the attack is attributed to Argentina's pro-Jewish position," but he made it clear that "neither the domestic nor the foreign policies are going to be modified due to terrorist crimes."

"The terrorist groups want to try and divide us. We are not going to change either the domestic or the foreign policies because of this type of attack," the foreign minister emphasized.

Ruckhauf Responds to Criticism of Security Secretariat

PY2507144194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1104 GMT 22 Jul 94

[Text] Buenos Aires, 22 Jul (NA)—Interior Minister Carlos Ruckauf has said that the national government's only purpose for creating the Security Secretariat was "to seek better protection for the community." Ruckauf made this remark in answer to the renewed criticism made by the opposition against the new organ.

Ruckauf responded to Radical Civic Union [UCR] President Raul Alfonsin's accusations that the new interior security organization implies "an unprecedented concentration of power, such as was not registered even in Stalin's Russia."

The minister said that "Alfonsin must not have read the decree" creating the Security and Community Protection Secretariat because it states that the Secretariat's chairman will have "a role equivalent to that of the interior security under secretary."

"The only difference (compared to the old position of under secretary) will be that the secretary will report directly to the president, because there is a need to coordinate measures," Ruckauf explained.

He said the secretariat is an answer to "the government's desire to seek better protection for the community, and nothing else."

Former Defense Minister Horacio Jaunarena (UCR) also criticized the new Secretariat, headed by Retired Brigadier General Andres Antonietti, by saying that it "is an inappropriate manifestation of power concentration that will not lead to better security for the Argentine people."

Jaunarena criticized the role of the Secretariat for State Intelligence, saying that the Secretariat "wastes time finding out what politicians and labor leaders are doing or how the president is standing in surveys." Jaunarena said "these objectives are not in accordance with the country's interests."

"Argentina gets involved in all conflicts in the world and has a security system proper of a fifth level country," Jaunarena said, adding that for that reason "we are open to dramatic consequences," such as the attack on the Argentine-Israeli Mutual Association [AMIA] center.

The creation of the Security Secretariat following the attack on the AMIA center provoked the repudiation of some opposition political parties and a request from the UCR National Committee to annul the decree and maintain the Interior Security Law in effect.

The UCR National Defense and Interior Security Commission argued that the decree "contradicts an interior security law approved by the majority of political groups represented in Congress."

A group of Buenos Aires Province UCR senators joined the move to reject the new Secretariat, characterizing the measure as "untimely and inadequate" and an attempt to "hide the executive branch's lack of responsibility and its obvious lack of a security policy."

Foreign Minister To Request UN Security Council Meeting

PY2507232294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1220 GMT 24 Jul 94

[Text] Buenos Aires, 24 Jul (NA)—A high-ranking government source said tonight that President Carlos

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Menem has instructed Foreign Minister Guido di Tella to request an urgent UN Security Council meeting to discuss "the issue of terrorism in Argentina."

This is the most important decision made during a five-hour meeting at the Olivos Residence on 22 July. The meeting was attended by the president, di Tella, Senate Chairman Eduardo Menem, Secretary General Eduardo Bauza, Legal and Technical Secretary Carlos Corach, Economy Minister Domingo Cavallo, and future Secretary of the Media Guillermo Seita.

Menem instructed di Tella to order Eduardo Cardenas, Argentine ambassador at the United Nations, to request an "urgent" Security Council meeting within the framework of international actions to clarify the 18 July attack [on the Argentine Israeli Mutual Association, AMIA] "as soon as possible."

Another decision made at the meeting was to "immediately" recall the Argentine ambassadors in Lebanon and Iran for consultations.

The sources who talked with NOTICIAS ARGENTINAS were not authorized to reveal other possible "diplomatic initiatives" the government will adopt to definitively and rapidly clarify the case that so far caused the deaths of 57 people.

Menem allegedly urged his assistants to place "more emphasis" on what the gover..ment is doing to clarify the bloody attack.

The failure to clarify the attack on the Israeli Embassy and the explosion at the AMIA center have been widely criticized by diverse community groups.

Menem met with his cabinet again yesterday. They analyzed the reports presented daily by the intelligence services of Argentina, Israel, and other nations that are cooperating in the investigation of the attack.

DAIA [Argentine Israeli Associations Delegation] President Ruben Beraja, one of Jewish leaders who participated in the 22 July cabinet meeting, insisted on the need to investigate local Nazi groups, which are thought to have provided the logistic support indispensable for the attack.

Beraja maintained the position assumed by the Jewish community from the start, that is, that the attack was not possible without the participation of local anti-Semitic groups.

Deputy Foreign Minister Explains Position on AMIA Bombing

PY2507183194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2326 GMT 24 Jul 94

[Text] Buenos Aires, 24 Jul (NA)—Argentine Deputy Foreign Minister Fernando Petrella today indicated that most likely Raul Granillo Ocampo, Argentine ambassador to the United States, will brief the U.S. House of Representatives about the attack on the Argentine-Israeli Mutual Association [AMIA], instead of Foreign Minister Guido Di Tella.

Granilio Ocampo will probably attend the special House of Representatives session at which additional information about the attack on the Israeli Embassy in Buenos Aires 28 months ago, and the attack on the AMIA on 18 July, will be provided.

Petrella explained that next week the Argentine foreign minister will have to attend the Mercosur [Common Market of the South] meeting and hold talks with his Mercosur counterparts, "which means that a trip to the United States would excessively complicate his agenda."

Petrella also reported that di Tella contacted UN Secretary General Butrus Butrus-Ghali to set up a special Security Council meeting. Petrella added that probably "the issue will also come up at the OAS Security Council and the OAS Permanent Council next week."

The deputy foreign minister told an Argentine TV channel today that he had "no grounds to say whether Argentine intelligence services failed." He added, however, that "this kind of operation is difficult to prevent."

Petrella emphasized that Foreign Minister di Tella "met with many Israeli Government officials and European Israeli groups who came to Argentina to convey their solidarity to the Argentine Government over the recent tragedy."

He added: "Di Tella also talked to several foreign ambassadors and summoned the Iranian charge d'affaires to discuss possible connections between certain groups [not further specified] with Iranian irregular forces."

Petrella said that the purpose of the recently created Security Secretariat "is to prevent these kinds of events and to investigate them if they unfortunately take place."

The deputy foreign minister added that "last week's attack on Argentina and Argentine citizens wrote one of the most sorrowful pages in Argentine history." He emphasized: "Foreign Ministry officials believe that everything possible must be done to thwart one of the terrorists' main purposes: Divide the Argentines."

He stressed that "all Argentines without exception must stick together to help the investigation and find those responsible for the attack, either in the country or abroad."

Petrella explained that the administration's commitment to resolve the case "is not only to the Israeli Government but also to all Argentine citizens because an attack on one of the communities that contributed most to Argentine culture and has more roots in Argentina is an attack on all Argentines."

He stated: "This is unfortunate and we are fully determined to resolve this case."

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Petrella believes that the Argentines "are not prepared to blame this unfortunate event on any underlying anti-Semitic feelings there may be," adding that the attack "was definitely prompted by the real desire to hurt Argentina by hurting one of its wealthiest and more solidaristic communities."

Iranian Charge d'Affaires Questioned on Hizballah Links

PY2507232994 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1948 GMT 24 Jul 94

[All names and titles as received]

[Text] Buenos Aires, 24 Jul (NA)—The Argentine Government has asked the Iranian Government to "comment" on its alleged links with the Lebanese pro-Iranian group Hizballah, while Iranian Ambassador to Argentina Solieman Pur will hold a news conference on 25 or 26 July to discuss the attack on the AMIA [Argentine-Israeli Mutual Association].

The Argentine Government also asked Argentine Ambassador to Lebanon Fernando Faraldo to prepare a "detailed report" on the activities of the Al Sad Alla group, which claimed responsibility for the AMIA attack.

Rogelio Pfirter, Argentine Foreign Ministry secretary for foreign policy, has asked Iranian Charge d'Affaires Gholamreza Zangeneh to report to the Argentine Foreign Ministry on the alleged links between the Iranian Government and the Hizballah (Party of God) group.

The Hizballah is being described as the "legal facade" of the so-called "Warriors of God" group headquartered in southern Lebanon which allegedly enjoys the protection of the Syrian Army.

Argentine diplomatic sources also said Pfirter asked Zangeneh to report on the political "meaning" of the statement the Iranian Embassy released on 18 July, in which it denies any involvement in the attack.

It has been leaked that there are those within the Argentine Government who believe it would be appropriate to sever diplomatic relations with Iran.

It appears that Foreign Minister Guido di Tella prefers to be prudent and not implement any drastic measures until there is concrete evidence that Iran supported the terrorist group that perpetrated the bloody attack.

Next week di Tella will brief the Foreign Relations and Defense Committees of the Chamber of Deputies in response to many requests from opposition legislators like Federico Storani and Elsa Kelly [Radical Civic Union].

Abdul Katim Paz, director of the Tahuid Mosque in Buenos Aires, categorically denied any involvement of the local Shi'ite community in the attack that destroyed the AMIA and rejected "reports that seek to link" this community "to alleged international terrorist organizations."

The Shi'ite leader criticized "the false interpretations" being made regarding this issue and recalled that shortly after the attack his community issued a communique "strongly" repudiating the bloody attack.

Paz lamented that "based on a few leaflets of a new and unknown group (referring to the Ansarollah extremist organization), Islamic groups are presumed to be involved in this incident."

The investigators still harbor some suspicions about Imam Moisen Rabbani, the spiritual leader of the Shi'ite community in the Southern Cone who has lived in Buenos Aires since 1982.

According to one of the metropolitan morning dailies, Rabbani went back to his country, Iran, after the bombing of the Israeli Embassy in Buenos Aires and returned to Argentina six months later.

Rabbani entered Argentina as a cultural affairs officer of the Iranian Embassy in Buenos Aires using a brand new diplomatic passport.

Iranian Shi'ites, Neo-Nazi Cells Gave Support in Bombing

PY2507182194 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 25 Jul 94

[Text] At present, it is thought that Iranian Shi'ite groups and Argentine neo-Nazi cells gave logistical support to the terrorist commando that blew up the seat of the Argentine-Israeli Mutual Association [AMIA].

Investigators Believe Car Bomb Used in AMIA Attack

PY2507184094 Buenos Aires PAGINA/12 in Spanish 23 Jul 94 pp 2, 3

[Article by Ramon Lejtman and Raul Kollman]

[Excerpt] Last night, officials investigating the bombing of the Argentine-Israeli Mutual Association [AMIA] building confirmed for PAGINA/12 that a Renault Traffic van was used as a car bomb and that amonal was the explosive used in the attack. The explosive, a chemical compound, can only be purchased in Argentina from two private enterprises that are linked to Military Industries (FM). The vehicle's radiator was found in the debris and it is expected that the engine, a key element in the car bomb hypothesis, will be found today and thus the type of vehicle will finally be identified. All the doormen who work in the 600 block of Pasteur Street are going to be questioned in order to discover which building was used by the terrorists to check on the headquarters of the AMIA. A thorough investigation of the members of the

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Federal Police who were on duty at the AMIA building is to be carried out in an attempt to prove that there was a security failure.

The men of the Argentine, Israeli, and U.S. intelligence services have finally become convinced that a car bomb was the method used by the terrorists. A Federal Police fireman gave the clue: The lack of a crater. He had insisted that a crater would not be found, that only a mound would be found. And yes, on 22 July the small mound was found with small parts of the Renault; thus, the hypothesis of the car bomb was confirmed.

As was the case with the Israeli Embassy, the experts believe that the side of the van that faced away from the AMIA building was reinforced with a steel plate or filled bags. Thus, the shock wave was directed precisely at the sidewalk, and some 15 meters of curb, the building, and the back and front areas of the vehicle were blown away. The shock wave moved the police patrol car that was on guard duty a few meters away. The investigation is now centered on the identification of the Renault; some parts of the engine have already been found, and it is hoped that the job will be completed today. [passage omitted]

Israeli Squad Chief Confirms Car Bomb Used

PY2507234494 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1817 GMT 25 Jul 94

[Excerpt] Buenos Aires, 25 Jul (NA)—General Zeer Ivne, chief of the Israeli rescue squad, confirmed today that the bloody attack at the AMIA [Argentine-Israeli Mutual Association] headquarters on 18 July, was perpetrated with a "car-bomb" loaded "to the brim with explosives."

Gen. Ivne asserted that "the explosion occurred outside the door to the AMIA building," adding that it made "a huge crater."

He added that owing to the type of construction, the victims of the terrorist attack inside the AMIA building "died during the explosion or in the subsequent moments."

The Israeli military officer made these remarks during a news conference at the Civil Defense Directorate, where its director, Nicolas Gonzalez, announced an agreement with the Israeli rescue squad to "exchange information and suggestions in the face of this type of disaster."

Gen. Ivne praised the work by the Argentine staff who are removing the rubble. He especially valued the work done from the moment of the explosion until the elite Israeli group arrived in Buenos Aires.

He believes his task at the destroyed building in Once District "may be concluded" in the forthcoming hours "once we are certain there are no more bodies under the rubble." [passage omitted]

More Bodies Recovered; Death Toll Now 67

PY2507171994 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0121 GMT 25 Jul 94

[Excerpts] Buenos Aires, 24 Jul(NA)—Rescue teams today recovered eight bodies from under the rubble of the Argentine-Israeli Mutual Association [AMIA] building at 600 Pasteur Street. The death toll now stands at 67. [passage omitted]

Some 57 people are missing and 62 remain hospitalized at various health-care facilities in Buenos Aires.

According to the Interior Ministry, however, there are only 50 confirmed fatalities, 45 of whom have been identified, while five are still at the morgue labeled as NN [no name]. The ministry also reported that 48 people are missing and 52 remain in various hospitals. [passage omitted]

President Reveals Arrest Made in AMIA Explosion

PY2607122394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1146 GMT 26 Jul 94

[Text] Buenos Aires, 26 Jul (NA) — President Carlos Menem revealed today that the person who sold the van that was used as a car bomb to destroy the seat of the Argentine-Israeli Mutual Association [AMIA] was arrested last night.

In remarks this morning to Radio 9.90, Menem said that "starting with this arrest, it may now be possible to expedite the investigation."

Remains of 'Suicide Terrorist' Found; Death Toll at 95

PY2607124094 Madrid EFE in Spanish 1057 GMT 26 Jul 94

[Text] Buenos Aires, 26 Jul (EFE) — The remains of a suicide terrorist, the perpetrator of last week's attack that destroyed the seat of the Argentine-Israeli Mutual Association [AMIA], were found by a group of experts sent by Tel Aviv to remove the rubble and extricate bodies.

General Zeer Ivne, chief of the Israeli rescue group, said that "we have found parts of a vehicle with a body inside it. We believe that it is the suicide driver."

Ivne stressed that the attack, in which more than 100 persons died, was carried out with a car bomb loaded with "hundreds of kilograms of explosives."

He added that "a part of the vehicle has been found in the rubble and the body is completely mangled."

"The vehicle ... was angled toward the AMIA building, and it veered onto the sidewalk and exploded. It is quite certain that the driver pressed a button and everything exploded," the Israeli expert commented.

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Unofficial reports indicate that the death toll has now reached 95, and at least 14 persons remain missing, 52 have been hospitalized, and 179 persons have been released from hospitals.

The Israeli rescue group, which concluded its removal of the debris last night, found 56 bodies in 6 days, and Ivne stated that most of the victims died minutes after the explosion. hl

Bilateral Relations With Chile Reviewed

94SM0404A Buenos Aires LA PRENSA in Spanish 26 Jun 94 Section 3 p 10

[Text] A study prepared by the Center for Socioeconomic Studies for Latin America (CESPAL), headed by Antonio Erman Gonzalez, analyzes the integration instruments that the two countries are putting in place. The substantial change in relations portends a major increase in economic and cultural ties.

In the last few years, both countries had to focus their energies on consolidating democracy and transforming their economies in a global market that was quite dynamic and competitive. In the economic sphere, Chile took the lead in the 1980's, launching a promising effort to reform its structures; but it was not until the early 1990's that it returned to democratic life, and only then did a sincere and open rapprochement between the two countries become possible.

The reform policies implemented on both sides of the Andes favored a substantial change in bilateral politics. Argentine-Chilean relations had been marked by mutual distrust, which promoted friction and conflict. A desire for cooperation and integration and the new circumstances—both national and international—made it possible for the two neighboring countries to come closer together. They have realized that the consolidation of that process will yield mutual benefits by strengthening both countries' competitive advantages.

Integration is not just an economic matter. It is all-encompassing, and therefore multifaceted. It also covers cultural, political, and military aspects. Argentine-Chilean integration has now reached levels and forms that were unimaginable just a few years ago.

Economic and Commercial Aspects

Chile and Argentina have doubled their trade from $600 million to $1.2 billion in the last three years. This total, compared to $881 million in 1991 and $1.094 billion in 1992, shows that trade is continuing to grow. This year, it is expected to reach about $1.4 billion.

Chile, according to the National Institute of Statistics and Census (INDEC), is one of Argentina's top 10 trading partners, with trade amounting to more than $1.1 billion.

These figures may rise dramatically, however, when Argentina's exports through the Strait of Magellan pipeline are factored in (they are expected to reach $500 million a year).

An example of the size of the market Argentina can offer Chile can be seen in the fruit and vegetable sector. Argentina bought nearly all of Chile's exports of tomatoes, avocados, lemons, and artichokes, among other products.

Among the top 10 products exported to Argentina are copper, gearboxes for automobiles, vehicles with engines of 1,000 to 3,000 cubic centimeters, and rolls of paper for newspapers, magazines, and other publications. Argentina is thus the leading buyer of Chilean manufactures and products.

On the other hand, Argentina is a significant provider of various industrial and agricultural products for Chile. It covers between 95 and 100 percent of Chile's domestic consumption of sunflower seed oil, unprocessed soybean oil, and liquid hydrocarbons. Other products include crude aluminum alloys, fresh and frozen beef, cooking oils, auto parts, corn, and wheat.

In addition to the trade in goods, there is a major flow of private investment between the two countries. The Chilean private sector invested nearly $2 billion in Argentina, and while Argentine investments in Chile do not amount to as much, in 1993 the level was equal to the sum total of the previous 15 years of investments.

The analysis of Chilean investments suggests that the energy sector was the main source in the beginning (Chilean capital operating power plants), but now there is more diversification (Bonafide, Jumbo, Unimark, Banco Trasandino, leading insurance companies, and manufacturers of ceramics and tissue paper).

Much of the credit goes to former Ambassador to Argentina Gustavo Figueroa Serrano, who is now President Frei's foreign minister. He promoted the rapprochement between the two countries, encouraging the private sector to get involved in the integration process.

The signing of the Economic Coordination Accord, the Treaty for the Mutual Promotion and Protection of Investment, and the Dispute Resolution System are additional key instruments that have facilitated the flow of investment and trade.

These instruments are the fruit of the two countries' political will to defend their common interests by optimizing resources and strengthening productive structures to improve their ability to compete on the world market.

In addition to promoting trade and investment, the agreement provides for physical integration through the development of the transportation and communications infrastructure, the facilitation of border crossings and access to ports, the development of joint actions in areas

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such as energy integration, mining, tourism, and agreements on plant and animal health.

Energy

Major advances have been made in the area of energy integration. The construction of an oil and gas pipeline through the Andes Mountains represents a fundamental change for the two countries that was unthinkable just a few years ago. The propane pipeline in Tierra del Fuego, the joint operation to drill for oil at the eastern entrance to the Strait of Magellan, the oil pipeline linking Neuquen and Talcahuano, the gas pipeline between the Neuquen basin and central Chile, the linkage of the electricity grids in the central and southern regions—all are indications of the level of integration that can be achieved between the neighboring nations as they seek to base their relationship on mutual trust.

Trans-Andean Pipeline Financed by Private Capital

The pipeline connects the Neuquen basin (the most important oil and gas producing region in Argentina) to the consumer market in south-central Chile. This is the first binational project financed without the backing of the two governments, and it represents an investment of $215 million. The pipeline carries 60,000 cubic meters of oil, and given that the line runs all the way to the port of San Vicente on the Pacific, it opens up a great opportunity to gain maritime access to potential markets on the eastern seaboard of the United States and in the countries of the Far East. Seventy percent of what is exported will be bought by the Chilean National Petroleum Enterprise, and the remainder can be exported to third countries.

It is estimated that Government Oil Deposits (YPF) will earn a profit of $500 million a year.

The construction of the oil pipeline means that the plan to link Argentina and Chile in three ways—oil, information, and people—has become a reality.

Argentina-Chile and Mercosur

Chile has been rather cool to the idea of integrating the Common Market of the South (Mercosur). The common external tariff and the coordination of the member states' macroeconomic policies have been key factors in the negotiations. Chile already has single tariffs for a major group of products that are lower than the Mercosur target. Moreover, it feels the need for a certain amount of coordination and reciprocity in the macroeconomic policies of the member countries; on this point, there are major differences between Chile and the other countries.

Nevertheless, Chile has raised doubts about whether it is a good idea to set up a free trade market among the countries of the southern cone. A number of new developments have arisen in Chile's relations with the region. Most noteworthy are the official overtures this country has made to the Mercosur, revealing the disadvantages inherent in declining to participate in the regional integration project.

As the Mercosur gathers momentum, Chilean exporters will face a market of nearly 200 million inhabitants that accounts for more than 50 percent of the regional GDP [gross domestic product].

The negative impact of its failure to participate in the integration project was estimated at some $300 million a year in lost revenues. Chile has a chance not only to expand the market share of its products in the region (Brazil and Argentina are among its principal customers, and trade with the Mercosur has quintupled in recent years), but also to gain access to other regions through this conduit.

During his visit to our country, Chilean Foreign Minister Gustavo Figueroa Serrano formally revealed Chile's proposal to join the Mercosur. Chile will take a first step by establishing a partnership with the members of the Mercosur in a plan that the Chilean foreign minister calls "four plus one."

Although Chile's proposal does not call for it to join the Mercosur as a full-fledged member, but instead provides for a partnership in a free trade agreement (it would be an independent partner), this decision is strategically and commercially favorable to all the countries in the region.

Mercosur investments in Chile have increased considerably over the past few years, and they are among the highest in Latin America. Brazil, Uruguay, and Argentina rank fourth, fifth, and seventh, respectively, among countries investing in Chile.

Mining Cooperation

Our country has undergone a revitalization process in the mining sector. New political, legal, and tax regulations have been put in place to bring the sector up to par in the international context and to provide better opportunities for foreign investors.

Chile has vast experience in mining, and it has an excellent chance to make investments in Argentina. At present, there is considerable untapped potential in Argentina, in addition to a lack of experience in this area and a shortage of proper equipment. As a result, conditions are right for joint mining ventures.

Both countries are letting the world know about their markets and their potential by holding expositions and conferences: 1) Expomin (World Exposition for Latin American Mining) was held in Chile in mid-May. Dr. Angel Maza, secretary of mining, announced Argentina's new position on the sector; 2) The Seminar on Mining Investment Opportunities was held in Neuquen in late March. In addition, an International Mining Meeting is scheduled for the end of this year to show how much progress has been made in mining and geology.

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Physical Integration

Between two countries that share a long, complex border, the point of departure for effective integration is communication networks. A great deal of progress has been made in this regard: 12 border crossings and a new tunnel have strengthened the physical integration of the trans-Andean nations. Under the General Master Plan for Border Crossings, both countries agreed to give priority to preparing 12 crossings for the passage of persons and merchandise. This is an ideal way to increase regional development and foreign trade with third countries through their respective ports.

Furthermore, a new low-altitude tunnel has been planned. It will be named for Pope John Paul II, and it will connect Juncal, Chile, to Los Horcones, Argentina. Both people and goods will be able to pass through it. The tunnel is an ambitious undertaking that will, if completed, be one of the greatest infrastructure projects in the world. It is being given priority in the study of land links between the Atlantic and the Pacific.

The role of railroads in linking the two oceans will also be enhanced. Two years ago the authorities of Region X and Rio Negro Province began working to establish a connection between the Chilean ports of Montt and Corral and the Argentine port of San Antonio Este. It is possible that by 1995, goods will be transported between the Atlantic and the Pacific.

The improvement of customs services and the cutting of red tape are issues still to be resolved in the area of physical integration.

Although a lot of work is being done in this regard, as long as the old concept of sovereignty persists, real integration will remain unfinished business.

The Armed Forces

The Armed Forces of the two countries are the most resistant to this cooperation. Some progress has been made toward achieving the best possible relations between them, but it is not yet a reality. The participation of the two militaries in independence day celebrations and major events such as President Frei's inauguration are evidence of that improvement.

Further advancement will come as the two institutions take steps to develop their mutual trust by becoming more familiar with each other and establishing solid professional ties in a democratic context.

Cultural Advances

Advances in terms of cooperation and integration with Chile cover a variety of sectors. No progress has been made with respect to the integration of the two peoples, however. Although in a few sectors of society there is still bitterness from past times, the public generally supports the initiatives taken by their governments.

The strong current of private investment indicates that businessmen understand that stability in the two countries' relations is here to stay.

The two countries need to change their social attitudes about each other, however. The principles and the concrete actions that have characterized the relationship in recent years should be passed on from the sectors directly involved to the rest of society. An effort at cultural integration will provide even more impetus for the integration that is taking place in other areas.

Bolivia

Government Condemns Action by Haiti Against UN, OAS Officials

PY2507170994 La Paz PRESENCIA in Spanish 12 Jul 94 p 7

[Text] The Bolivian Government has condemned the reprisal taken by the de-facto Haitian regime against UN and OAS officials who were given an ultimatum to leave Haiti.

The declaration condemning Haiti was delivered by the Foreign Ministry to the two organizations in Washington through its permanent OAS representative, Carlos Cassap.

The communique says: "The de-facto Haitian regime promulgated on 8 July a decree by which international officials and foreign members of the UN and OAS civilian missions in Haiti were given a 48-hour ultimatum to leave Haitian territory."

The communique adds: "This arbitrary and provocative measure, in addition to the many murders and serious human right violations, has created indignation in the international community, which again feels frustrated in its tireless effort to persuade the regime to return the political power to the legitimate representatives of the Haitian people in accordance with the commitment freely made at Governors Island."

Upon expressing its condemnation against the Haitian Government measure, the Bolivian Government demanded an "urgent solution to the serious crisis affecting the long-suffering Haitian people on the basis of the resolutions made by the foreign ministers, the OAS Permanent Council, and the UN Security Council.

Chilean Position on Sea Claim Viewed With 'Optimism'

PY2507200094 La Paz PRESENCIA in Spanish 12 Jul 94 p 1

[Text] The government reacted yesterday with caution and also with optimism over the recent comments by Chilean Foreign Minister Carlos Figueroa. Foreign Minister Antonio Aranibar said: The fact that Bolivia is among the priorities for Chilean foreign policy and that Chile shows interest in seeking "imaginative" solutions

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to the Bolivian landlocked situation reflect a traditional Chilean position but also an "implicit recognition."

Aranibar "fully" agreed with his Chilean counterpart that "for a nation to project itself on the continent, it must resolve its problems with its neighbors to have fruitful relations with them."

Aranibar said the fact "that Chile proposes to overcome the problems and difficulties existing with Bolivia in relation to the landlocked situation affecting Bolivia" is an important step.

But the most revealing aspect of Figueroa's comments, said Aranibar, is the fact that "beyond reiterating the traditional Chilean position regarding the maritime problem, it refers to the will that would exist to study imaginative solutions, as Figueroa calls it."

Aranibar said the Bolivian efforts are moving in the same direction. He added: "We have our point of view; we know our interests and rights, and we are working so that sooner or later these views will be realized and admitted in order to find at some point the solutions Bolivians expect."

In recent comments to journalists in his country, Figueroa said, among other things, that Bolivia is a priority for Chilean foreign policy. But he asserted that for his country, the solutions do not imply a revision of treaties or territorial concessions but the creation of a physical, commercial, and reciprocal investment integration framework.

COB Leader Salas on Leave of Absence for Health Reasons

PY2507170494 Santa Cruz EL MUNDO (National Section) in Spanish 17 Jul 94 p 1

[Text] La Paz, 16 Jul (ANF)—Carlos Camargo, leader of the Bolivian Labor Federation (COB), has said that the temporary leave of absence of COB Secretary General Oscar Salas does not mean that the COB will be absent from the country's affairs because there are 39 leaders in the union structure who can fill that vaccum.

Camargo said: This week Salas asked for a leave of absence to take care of "some health problems," and "he will receive medical treatment and then return to the COB leadership immediately."

In reference to biased reports from some journalists, Camargo said no changes will be made in the COB leadership and definitely not Salas' definitive replacement.

Camargo said: "I don't know where the speculation comes from; it seems to me it is made up, because it has no basis. We reported that Oscar Salas asked for a temporary leave of absence because he is ill."

Superintendent of Banks Views Sector

94SM0395A La Paz PRESENCIA in Spanish 3 Jun 94 p 2

[Interview with Superintendent of Banks Ramiro Cabezas "in the superintendent's office;" date not given]

[Excerpts] Since 1985, the banking system has undergone a process of sustained growth. At present there are 17 banks, approximately 100 cooperatives, and 25 mutual associations and financial bodies. They should be closely supervised by the Superintendency of Banks.

In large part, the maintenance of confidence in the financial system depends on the work done by this institution. That is why, for example, the appointment of the superintendent of banks has, since 1993, required approval by two-thirds of the members of the Senate. This system has been implemented to avoid the interweaving of political and economic interests. Ramiro Cabezas, the first superintendent to be chosen in this way, was interviewed by PRESENCIA in his office.

Cabezas, who served as the minister of economic development and finance during Dr. Paz Estenssoro's government, has just completed his first six months in his new office, and his first assessment of his work is that it "is much more complicated and intensive than I had imagined."

He also admits that as director of the work of about 120 employees, his task is a thankless one, but he is nonetheless convinced of its usefulness.

The Superintendent's Evaluation

[PRESENCIA] Let us begin with the obvious. What is the Superintendency of Banks?

[Cabezas] [passage omitted] The Superintendency of Banks has the principal task of granting licenses after evaluating the applicants for them, based on verification of their capital solvency, their professional competence, and their capacity to manage financial institutions. All bank superintendencies, including that of Bolivia, issue authorizations following this kind of evaluation.

[PRESENCIA] Does this evaluation include personal background information about the partners and executives?

[Cabezas] In fact, it does. The personal information sought concerning the partners includes the lack of any adverse legal history, problems with the financial system, pending obligations, protested checks, closed accounts, or bad management.

Not only that, but the superintendency must approve any transfer of shares representing more than 5 percent up until three years after the founding of the bank. And later, it must analyze and obtain information about any transfer involving a significant portion of the capital in terms of shares, so that the superintendency will always know who the administrators are.

Now, there is always the possibility of deception, and there are ways of circumventing the law, but the superintendency always checks to ensure that the operations were properly carried out.

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[PRESENCIA] What is the role of the superintendency once a bank has been established?

[Cabezas] The superintendency works with the financial analysis unit, which receives daily accounting reports from the banks as to the credit granted and the terms involved, together with balance sheet analyses. Any changes or trends that stand out are referred to the Inspection Department.

In addition to its routine inspections of the banks, this department analyzes not only the accounting records, but also the internal systems, the quality of the banks' organization, the security measures adopted in the process of granting credit, and the internal operational manuals, to establish whether or not they are adequate.

When the superintendency finds that a bank has incurred unnecessary risks by granting credit without proper evaluation, adequate investigation of the borrower, or sufficient clarity as to the guarantees, the superintendency imposes a charge against the capital of the bank for these operations.

The superintendency has a system for classifying bank portfolios in categories numbered one through five. The banks themselves determine their categories, based on the instructions and circulars issued by the superintendency. These are then verified, and if a category is found to be incorrect, the superintendency imposes a charge against the bank's capital. When this is done, the capital of the bank is reduced, it lends less, and, naturally, earns less. This is one of the forms of control used.

Insofar as possible, the superintendency also attempts to verify that loans involving shareholders—that is to say the credit granted by banks to enterprises affiliated with economic groups—does not exceed the limits established by law. When the finding is that excessive credit has been granted, a charge is again levied against capital, and penalties, fines, and even administrative sanctions may be imposed by the superintendency on the employees and managers, and even on the directors.

[PRESENCIA] Without court proceedings?

[Cabezas] Without court proceedings.

[PRESENCIA] Given this very strict control, how does it happen that problems arise with uncollectible loans, as in the Tarabillo case, for example?

[Cabezas] Such a situation can develop precisely when the managers of a bank violate the system of records and limitations established by the superintendency to ensure caution. The results may involve dissolution, consolidation, or even penalties imposed on those responsible for these actions.

Even with the guarantees and the traditional manner in which banks operate, however, emergency situations can arise. In the Tarabillo case, the banks did obtain guarantees. Now, the value of a guarantee when an enterprise is operational is one thing, but when bankruptcy is declared or a situation of insolvency develops, it is a different matter, because the guarantees then begin to lose value. This happens everywhere in the world.

We saw the effect of the Tarabillo case on the banks when the total liquidation of the seized assets was carried out, and the banks executed the guarantees they had obtained and learned what their real value was.

In addition, the banks are required by law to establish reserves for emergency situations like this. The losses will not necessarily affect the balance or the overall financial situation of the banks, but they will affect the reserves, which will be reduced. However, with the passage of time, the banks must continue to establish new reserves with a view to future emergency situations.

These emergencies do occur. This is the risk involved in financial business. Therefore, the banks must continue to learn, and the superintendency must continue to supervise, so that proper investigation of bank clients can be ever more certain, and this type of emergency can be prevented.

[PRESENCIA] But based on your explanation, the superintendency could prevent the development of crisis situations.

[Cabezas] The superintendency tries to prevent the development of crisis situations to the extent that it can. But sometimes this is not possible, because some bad managers may find ways of getting around these limitations and granting credit to improper persons, and then it develops that these sums cannot be recovered. And so a bank crisis develops, followed by the process of dissolution or consolidation, as the circumstances require.

[PRESENCIA] Is there not a great deal of favoritism within the Bolivian banking system?

[Cabezas] There is, but it is the result of the fact that we live in a very limited environment, and almost all of us know each other. Loans are made to friends, but the superintendency is the body responsible for ensuring that they are covered by the same guarantees and safety measures as the loans granted to those who are not our friends. There are specific norms governing the guarantees and the portfolio categories.

[PRESENCIA] Why are there are so many banks in an economy as small as ours?

[Cabezas] In reality, one should take operational volume as a standard, rather than the number of banks. One of the problems is that the minimum limit set by law as a requirement for establishing a bank is not high enough. The law calls for minimum capital of about $3 million. In my view, this represented a substantial amount some years ago, but it is too low a limit for the establishment of a bank today. With $3 million it is possible to create a bank, but not a strong bank. The ideal thing would be to have a higher minimum established for the capital required.

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Myth and Reality

[PRESENCIA] There is concern, on the one hand, about the high volume of deposits, while, on the other, it is very difficult to obtain credit.

[Cabezas] First of all, let us analyze the volume of deposits in the financial system. Going back to the period of hyperinflation in 1984 and 1985, total deposits in all of the banks stood at about $50 million.

This means that in that era, all of the banks were bankrupt, because it was illegal to engage in foreign currency operations and suicidal to make deposits in domestic currency, which immediately declined in value.

Beginning with DS [expansion not given] 21060, the economy in general began to strengthen. A process of correction began to develop in the economy as a whole, and this had a very obvious effect on the financial system. Little by little, the people began to have greater confidence in the financial system and to trust it with their resources. This led to the repatriation of a substantial portion of the resources previously taken out of the country because of hyperinflation.

There was a spectacular process of growth in the financial system, and as this resurgence developed, the current superintendency was established. Prior to the promulgation of DS 21060, this entity had simply been a supervisory department of the Central Bank with little autonomy and institutional support.

The superintendency has been strengthened by the law and by the system of choosing the superintendent. Endorsement by two-thirds of the members of the Senate is required before three candidates can be submitted to the president of the Republic. The superintendent serves a guaranteed term of six years, which does not coincide with the government term of office. In addition, the fact that the superintendency does not depend on general treasury resources, but, instead, on compulsory contributions from the financial system, has supplied the wherewithal allowing it to grow at the same rate as the financial system.

This has been very important, because it has made possible growing confidence in the financial system and a steady increase in deposits. Nowadays, our deposits total approximately $2.16 billion, and placements, that is to say the loans granted, total approximately $2.4 billion. The difference is due to the fact that in addition to the amounts obtained, there is also the capital of the banks and financial institutions themselves, as well as the credit that foreign banks have recently begun to grant to Bolivian banks.

This sign of trust is based first of all on the confidence in the national economy and in the stability of the currency of the country. And second, it is based on the security of the Bolivian financial system and the quality of the supervision the Superintendency of Banks exercises over it.

[PRESENCIA] Why have the interest rates remained high?

[Cabezas] To a great extent, interest rates develop as a function of the greater or lesser degree of confidence in the country. It is perhaps also worthwhile to remember that the interest rate in dollars in the year 1986 stood at approximately 28 percent per annum. This rate has been declining steadily, and nowadays the figure is about 14 percent (I am speaking of the active rate, that is to say the cost of money to the borrower, or the interest rate at which the banks lend).

The most interesting thing is that as interest rates have declined, deposits have increased. Generally speaking, the opposite happens—interest rates drop and deposits dwindle.

Another very important indicator is the fact that when resources recently began to return and to be deposited in the financial system, the average deposit period was 30 days (reflecting little confidence, with depositors constantly prepared to withdraw their money). Today the average deposit period is 180 days.

The interest rate has declined, then, while deposits have increased, as has the average deposit period. Now all of this is common, from the international point of view, but the important thing is the trend. The deposit period is increasing, the total volume of deposits is continuing to increase, and the interest rates are steadily declining. All of these things are the product of confidence in the economy and in the stability of the currency and the financial system.

[PRESENCIA] Why is there excessive concentration of credit in the hands of a few, and along the La Paz, Cochabamba, Santa Cruz axis?

[Cabezas] The reason for the concentration along the central axis is quite clear, because this is where the economic activity is to be found, and the banks serve to assist the busiest economic bodies. This is true because for security reasons, first of all, the banks lend to the clients who can provide them with adequate guarantees. And second, the banks determine which commercial operations might be profitable enough to guarantee that the credit will be repaid, and this only proves to be the case along the central axis.

As to the concentration in terms of numbers, the information developed by the superintendency, which is studied by the analysts, has one characteristic that might lead to confusion. This is because in the number of loans granted, a large enterprise counts the same as a small one or an individual person. Naturally, then, the large enterprises are granted a larger volume of resources, because they require more loans, provide better guarantees, and have a higher level of solvency ensuring that they can honor their obligations. When the time comes for a statistical count, however, a large enterprise counts the same as a small one, even though a large enterprise may

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be granted a thousand times the credit an individual might receive. Thus, this concentration in terms of numbers is a little bit misleading.

[PRESENCIA] But the miners, the heads of small industries, and the peasants are complaining that they lack access to credit.

[Cabezas] That is clear, but there have been very sad results when an effort has been made to correct this situation. Let us analyze what happened with the Agricultural Bank. It granted loans to peasants from whom it has never been able to obtain repayment. How, then, can we ask the private banks to grant loans they know they will never be able to collect? On the other hand, the superintendency, which protects the resources of the depositors, cannot tell a bank to make a loan without demanding guarantees, thus risking the depositors' money.

This is a very difficult problem to resolve. The experience that has been acquired is frightening, and the banks are trying to allocate credit involving the least possible risk. The superintendency requires that they do so, because its responsibility is to safeguard the resources of the depositors.

[PRESENCIA] But according to various reports, the bankruptcy of the Agricultural Bank, for example, was due in large part to the major loans it made on the basis of political considerations.

[Cabezas] Everything is owed, and nothing has been paid. Now then, the peasants are sponsoring a law in the parliament that would exempt them from the requirement that they pay their debts to the Agricultural Bank, which is still in the process of being liquidated. What bank, then, will grant a loan to a peasant who does not pay his debts? I cannot say that this peasant acts in this way due to bad faith. Probably he has experienced weather problems, all kinds of problems, and is unable to pay. But what private bank with the responsibility for administering the resources of the depositors will risk the resources of others by granting loans to those who most certainly will not repay them? That is the reality.

There are a number of bodies experimenting with small credit sums, as a possible solution. They are beginning with the very small industries, with the craftsmen, and, little by little, they are moving into the rural sector. It seems to me that this conclusion, perhaps still preliminary, has been reached. We are learning how to make loans to small borrowers with lower guarantees, but with adequate followup.

On the other hand, it seems that small borrowers do not react in the same way to private financial bodies and public financial bodies in the state sector. We have the Banco Sol [Sun Bank], which is exclusively engaged in granting very small loans with guarantees for very short terms, generally distributed among the lenders. The experience acquired has been very good.

Without a doubt, small loans are much more costly than larger ones. That is natural, but for the small craftsman with rapid turnover, even these high costs for his small loans are less than he would have to pay usurious private lenders.

As for the peasants, some nongovernmental organizations [NGO's] are experimenting with granting loans. On the basis of the experience acquired, they are considering undertaking capitalization and applying to the Superintendency of Banks for authorization.

We view this possibility with favor, but also with great caution, because, first of all, the NGO's that do not obtain their funds from the public are beyond the reach of the superintendency. This is because their resources come from foreign sources or from contributions from closed associations that do not act as financial intermediaries. They are gaining experience that may enable them to act as financial intermediaries in the future. On the basis of an analysis of their experience and their results, the superintendency might then authorize them to begin to obtain and channel resources from the public. But we must be very cautious, because we do not want another FINSAS [expansion not given]. We do not want to risk the resources and savings of the public. We want, instead, to act very responsibly.

Bank Confidentiality

[PRESENCIA] What does bank confidentiality mean?

[Cabezas] This phrase refers to the fact that the transactions of individuals or businesses with their banks cannot be investigated by just anyone.

This does not mean that when a judge is investigating a case, he does not have access to such information. A judge can issue an order to the superintendency, which in turn will order a given bank or the entire financial system to provide certain information.

The reasons justifying an order from a judge for the release of information have to do with illegal operations of some kind. In other words, bank confidentiality can be lifted by a judge under exceptional circumstances. The banking system would fear ruin if just anyone could obtain access to bank information that is, properly speaking, personal and confidential.

[PRESENCIA] What, then, is the importance of the United States proposal to do away with bank confidentiality?

[Cabezas] What is being sought is a broadening of the exceptions allowing the lifting of banking secrecy, so that when the police are investigating a drug-trafficking case, for example, the bank could be asked for information and would be forced to provide it.

This is a matter that must be dealt with very cautiously. Without a doubt, the system should facilitate investigations of illegal operations in general, whether or not they

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involve drug trafficking. But there must be a selective system—a judge to analyze when and for what purposes access to information on the banking operations of an individual is justified.

The United States proposal is broader. It provides not only for access to such information on the basis of police inquiries, but would allow foreign institutions to apply for such access. It also calls for an agreement among the countries to exchange this information.

This would have to be based on treaties, on joint legislation, because if just one country eliminates bank confidentiality, all deposits will go to whatever country maintains banking secrecy. Moreover, information cannot be made generally available. It should be made available only in those cases on which there is common agreement, so that all countries are acting in a consistent manner. [passage omitted]

The Superintendency is Watching

According to Ramiro Cabezas, the Superintendency of Banks does not supervise the accounting aspects of the financial system alone. It also examines "the conduct of the employees on the level of the responsibility they bear. When a shortcoming or poor management on the part of any employee is noted, and if the institution itself takes no corrective measures, the superintendency instructs it to do so and drafts a report. There are a number of instances of individuals forbidden by the superintendency to work in the financial system again."

But it goes further. For the past four years, a Central Risk Registry has been operational. It is "a model for other countries." Within this system, "a record is kept of all the loans granted, all of the payments made, and the extent to which bank customers are meeting their obligations. If a borrower owes a payment to a bank, that information is on record in the Central Risk Registry, and it is available to all the banks."

And so, Cabezas explained, "when a bank grants a loan to an individual listed with the Central Risk Registry, the superintendency requires that this bank establish a reserve in the amount of 100 percent of the credit allocated—a reserve to protect earnings—whereby the capital of the bank is reduced. The superintendency says to the bank: "You have granted a loan to this gentleman who has a payment due on a loan transaction with another bank. If you take this risk, you will have to bear the consequences. You must report the loan as a loss."

But Cabezas wants to establish better control. "We are thinking of expanding the information in the Central Risk Registry to include not only the bad debts owed to the banking system, but those in the general business sector, as well. I do not know how possible this is, but we are studying it. If a business sells an automobile on installments and the customer (whether a natural or juridical person) fails to make the payments, this bad debtor should be listed with the Central Risk Registry so that the banks will not grant him any more credit."

The system would include credit card debts, returned checks, accounts closed, etc. In this way, Cabezas maintains, greater confidence in the system can be developed.

Brazil

Gallup Poll Shows Candidates Lula, Cardoso Even

PY2507161894 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jul 94 p A1

[Text] Workers Party, PT, candidate Luiz Inacio Lula da Silva and Brazilian Social Democracy Party, PSDB, candidate Fernando Henrique Cardoso are even in the race for the presidency of the Republic, according to a poll carried out by the Gallup Institute for O ESTADO. Two months before the elections, Lula has 30.5 percent of the votes, while Cardoso has 30.1 percent. The poll, which was carried out in 22 states, concluded on 20 July, and it reflects how the PT candidacy was affected by the Real Plan and the Bisol case. In the state of Sao Paulo, Cardoso is ahead by 35 percent as opposed to 26 percent for Lula, and in the state of Rio de Janeiro they are even: Both have nearly 26 percent among voters who expressed a preference. Lula still leads the polls in northeastern and southern Brazil; Cardoso leads in the north and southeast.

Energy Minister: Fuel Prices Guaranteed

PY2507152794 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 22 Jul 94

[Report by Norma Neri from Rio de Janeiro]

[Excerpts] Mines and Energy Minister Alexis Stepanenko has asserted that the government guarantees the price of fuels will not be readjusted. He added that the current prices will be maintained for four months. [passage omitted]

Minister Stepanenko also said that Osiris Lopes Filho's resignation from the Federal Revenue Secretariat, SRF, will not prevent the government from solving the problem Petrobras [Brazilian Petroleum, Inc.] has been facing in paying its $450 million debt to the SRF because the economic team remains the same.

Stepanenko pointed out, however, that a settlement of accounts must be done because the Federal Government also owes the Petrobras $3 billion of the oil account.

Chile

Spain's Solana Arrives To Discuss Trade

PY2607001294 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 25 Jul 94

[Text] Spanish Foreign Minister Javier Solana arrived in Santiago this morning. He said his country fully supports Chile's efforts to sign a free trade agreement with the EU [European Union].

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Solana was met at the international airport in Santiago by his Chilean counterpart Carlos Figueroa.

The main purpose of this visit is to discuss bilateral trade and Chile's relationship with Europe as a whole.

Minister Javier Solana said Spain fully supports Chile's efforts to sign a free trade agreement with the EU.

Comments on Visit, Ties With EU

LD2607113794 Madrid RNE International in Spanish 1000 GMT 26 Jul 94

[Text] Spanish Foreign Minister Javier Solana, who is on an official visit to Chile, will meet later today with the president of the country, Eduardo Frei, and his counterpart, Carlos Figueroa, in Santiago de Chile. Javier Solana has said that the aim of his visit is to further strengthen the friendship ties between Spain and Chile, as well as to view other topics of common interest. Javier Solana:

[Begin Solana recording] Chile is making a big effort to step up its competitiveness, as are we. I would like to work with Chile in strengthening its ties with the European Union [EU]. A few days ago, at the Corfu summit, the EU said that it wants to work closely with South America and more precisely with Chile. [end recording].

The Spanish foreign minister, whose visit to South America will end in Argentina on Monday, visited the port of Valparaiso, 110 kilometers west of Santiago, where he met the president of the Senate, Gabriel Valdes.

Former Finance Minister Elected PDC President

PY2507172494 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1100 GMT 25 Jul 94

[Excerpts] Former Finance Minister Alejandro Foxley is the new leader of the Christian Democratic Party, PDC. Foxley made the commitment of working to eradicate extreme poverty before the end of the century.

Shortly before 2200, Senator Ricardo Hormazabal conceded victory to former Finance Minister Alejandro Foxley:

[Begin Hormazabal recording] There was a time when it seemed that everything was ordered from upstairs. We paved the way for the holding of discussions. Now that discussions have been held and PDC members have cast their votes, we democrats can only say: We have a new great president: Alejandro Foxley. We wish him success and promise to cooperate with him. [Crowd shouts "Hormazabal! Hormazabal!" and applauds] [end recording]

Meanwhile, Foxley occupied ahead of schedule the PDC presidency offices, located in the Eduardo Frei Montalba building, that current PDC President Gutenberg Martinez will hold until 27 August. [passage omitted]

Accompanied by thousands of followers, PDC President-elect Alejandro Foxley and his running mates Deputy Jorge Pizarro and PDC leader Francisco Frei presided over an unscheduled celebration. According to the latest vote count that was read during this rally, Foxley obtained 59.3 percent, Hormazabal obtained 25.5 percent, and Rafael Moreno obtained 15.2 percent. [passage omitted]

Roundup of Economic Reports

PY2507211694

[Editorial Report] The following is a compilation of reports on economic activities in Chile monitored through 21 July.

On 4 July Economy Minister Alvaro Garcia and Foreign Investments Committee Director Eduardo Moyano reported that foreign investment totalled $1.2936 billion in the January-May period, an increase of 65 percent. Mining received the highest percentage of the investments, with 62.2 percent; services 20.9 percent; industry 10.5 percent; construction 2.1 percent; transportation 2 percent; and agriculture 1 percent. Garcia stated that the government had authorized investments worth $3.4348 billion during this period, an increase of 397 percent compared with the same period last year. So far companies from 32 countries have invested in the country. U.S. companies account for 48.7 percent of the investments; Canada has 44.7 percent; and the United Kingdom has 1.3 percent. (Santiago EL MERCURIO in Spanish 5 Jul 94 pp A1-A12)

On 7 July the Central Bank reported that the trade balance registered a $61.3 million surplus in the first half of June, raising the year's cumulative surplus to $359.9 million. The trade balance has registered a favorable surplus for the fifth consecutive month after a period of nine months of deficits. (Santiago EL MERCURIO in Spanish 8 Jul 94 pp B1-B6)

The Central Bank's net international reserves increased $517.8 million in June, $197.6 million of which comes from a revaluation of the reserves in the wake of the drop in the value of the dollar against other currencies. The remaining $320.2 million comes from a surplus in the balance of payments. The total reserves amount to $11 billion. (Santiago ESTRATEGIA in Spanish 8 Jul 94 p 11)

National Statistics Institute, INE, Director Alexis Guardia has reported that the June inflation rate was 0.5 percent, while the cumulative inflation rate was 12.7 percent in the past 12 months. Foods registered the highest increase, with 0.8 percent; housing 0.5 percent; clothing 0.4 percent; and transportation and communications 1.2 percent. Wholesale price rates rose 1.1 percent in June, 3.6 percent in the first half of the year, and 7.6 percent in the last 12 months. (Santiago EL MERCURIO in Spanish 6 Jul 94 pp B1-B6)

The INE reports that the unemployment rate was 5.7 percent nationwide in the March-May period, an

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increase of 0.4 percent as compared with the previous quarter, and an increase of 1.1 percent as compared with the same period last year. This is the highest rate since November 1991, when the unemployment rate was 6.3 percent. The labor force totalled 5,207,550 people, an increase of 3.5 percent. The number of employees was 4,909,390, an increase of 2.3 percent. The unemployment rate rose from 4.2 percent to 6 percent in eight of the 13 regions, including the Metropolitan Region. (Santiago LA TERCERA DE LA HORA in Spanish 6 Jul 94 Economy Section p 3)

Colombia

Samper Letter to U.S. Representative Outlines Anti-Drug Policy

PA2607023694 Santa Fe de Bogota EL TIEMPO in Spanish 22 Jul 94 p A-6

["Text" of a letter by Colombian President-elect Ernesto Samper to Lee H. Hamilton, chairman of the House of Representatives Foreign Affairs Committee, issued in Santa Fe de Bogota on 15 July]

[Text] July 15, 1994.

The Honorable Lee H. Hamilton

Chairman, House of Representatives Foreign Affairs Committee

2187 Rayburn House Office Building

Washington, D.C. 20515-1409

Dear Mr. Chairman:

I will assume the Colombian Presidency next month during a very important period in bilateral relations and our common struggle against drug trafficking. I am well aware of your dedication and interest in this issue, and I appreciate your efforts in support of Colombia. As I prepare my administration for the challenges that lie ahead, I would like to take this opportunity to share with you my views about how we can strengthen our fight against drug trafficking.

I know very personally the threat drug traffickers pose to our democracies. The four bullets still lodged in my body are a constant reminder of the cartel's 1989 attempt to assassinate me at Bogota International Airport. I was lucky, unlike many of my compatriots who have fallen victim to the brutal violence the cartels have wreaked in my country.

We are the target of their diabolic machinations once again. The taping of telephone conversations between a Cali cartel leader and a journalist known to be on the cartel's payroll have revealed their frustrated efforts to infiltrate the campaign organizations of Colombian presidential candidates.

I was perfectly aware of this threat when I entered the presidential race. That is why I established an independent moral ombudsman in my campaign. That is why my campaign books and records have always been open to public scrutiny. I also expelled several sympathizers when it became evident they did not meet our rigid ethical standards. We rejected several contributions due to their unclear or obscure origin. That is why I am completely confident my campaign was successful in rejecting the undercover efforts of drug traffickers to spread their corrupting influence. Nevertheless, I have called for a special investigation to carefully examine all these issues and apply necessary actions to protect the integrity of my government.

Those who believed the war on drugs ended with the destruction of Pablo Escobar's organization are wrong. We are now entering what could be the final but decisive stage of the war on drugs. The cartels know their campaign of terror and intimidation has failed. Nevertheless, they will try to recover the ground they lost in recent years. The Cali cartel will resort to powerful weapons: violence and fear, bank accounts, legal loopholes, computer networks, and corruption.

The task at hand today is much more complex, and the international community must reorganize its strategy, sharpen its knowledge, and develop legal instruments and new institutions. Beginning the day I assume office, I will aggressively seek to ensure the tools we will need to win this war both at home and abroad. I hereby invite the United States to join Colombia in this common effort.

First, we will continue to do what we have been doing successfully: vigorously applying all our laws to investigate, persecute, and imprison the drug lords and their accomplices. We know who are the leaders of the Cali cartel, and we will capture them. We will need the continuous help of the United States in technical support, training, intelligence, and exchange of evidence to attain this goal. We must establish a high-ranking bilateral commission that will permanently evaluate our cooperation, improve the work we are doing, and promptly overcome any problem or obstacle. My administration will accelerate changes to Colombia's penal code, increasing the sentences for drug traffickers and eliminating the vacuums in our surrender to justice system. We will not tolerate indulgence.

The drug traffickers have failed in their attempt to overpower our democracy through terrorism and murder. They want to destroy it now through infiltration and corruption. They will not succeed. An elite investigation corps will be created to confront corruption and send the cartel's political cronies to jail. We will submit to Congress a very strict anticorruption law. In addition, we will implement new laws to strengthen our laws against money laundering. This must be implemented with the support of a U.S.-Colombian working team against financial crimes, and this team should consist of our best prosecutors and experts.

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Equally important, we urge the U.S. Congress to establish obligatory goals for the reduction in the local consumption of drugs and to provide the needed resources to attain these goals.

Our two countries cannot carry the load of a global war against drugs alone. Consequently, my administration will work to implement the following initiatives:

—The creation of a Caribbean countries multilateral antinarcotics force.

—The grouping of current radar capabilities into a hemispheric network to follow drug trafficking activities.

—The implementation of an overall exports monitoring system to impose stricter controls on the flow of chemical material that is essential for the production of drugs and on automatic and assault weapons used by the cartels' henchmen.

—The adoption of a new inter-American convention banning banking paradises in this hemisphere. We cannot allow drug traffickers to enjoy the benefits of their illegal wealth.

On 7 August, when I will be sworn in, I will announce these specific initiatives. I hope the United States will choose to help Colombia win the war against drugs instead of believing the campaign of misinformation launched by drug lords. I invite the United States to double its faith in the Colombian people's determination and courage and join us in the difficult battles ahead.

My administration is hoping to work with you on these and other matters of interest to both countries.

Sincerely yours,

Ernesto Samper

President-elect of Colombia.

Sanin on 'Conciliatory Nature' of New U.S. Ambassador

PA2607044494 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 26 Jul 94

[Report by Cesar Mauricio Velasquez from the "Seven O'Clock Newscast"]

[Excerpts] With very friendly words, Myles Frechette, new U.S. ambassador to Colombia, presented his credentials. The new ambassador made important announcements regarding cooperation between the United States and Colombia. It was the first official meeting and it lasted more than an hour. The new ambassador was very calm when he arrived at Narino Palace and said that Jesse Helm's amendment making U.S. aid to Colombia conditional upon its struggle against drug trafficking could be filed away [archivada] during the next session of the U.S. Congress. [passage omitted]

Meanwhile, it did not take Colombian Foreign Minister Noemi Sanin long to recognize the conciliatory nature of the new statements being made by the U.S. Government.

[Begin Sanin recording] It is the only language we understand. Everything was out in the open. There was respect for our sovereignty, and our struggle against drug trafficking was praised. There was cooperation. [end recording]

The first statements made by the new U.S. ambassador were a very nice surprise. The diplomatic picture between the two countries is now becoming clearer.

Rodrigo Pardo Views Foreign Policy Goals

94P21006A Cali EL PAIS in Spanish 3 Jul 94 p A9

[Interview with Foreign Minister-designate Rodrigo Pardo Garcia-Pena; place and date not given]

[Excerpts] Patient, discreet, with a gentle manner and friendly voice, Rodrigo Pardo Garcia-Pena, who will serve as Minister of Foreign Affairs in the next government, seems to have adopted diplomacy as his style.

His short stature—1.65 meters—and small build are in contrast to his intellectual breadth, ready to meet challenges of the magnitude awaiting him after 7 August. Not only will he have to maintain the prestige of the Foreign Affairs Ministry, at its apex under the direction of Nohemi Sanin de Rubio, but he will also be responsible for restoring Colombia's image, which has deteriorated even further as a result of the so-called narcocassette, and for continuing the policies of regional integration and defense of democracy continent-wide. [passage omitted]

[EL PAIS] What will be the Foreign Affairs Ministry's priorities and its new role given the agreements on integration?

[Pardo] With regard to foreign policy there will be a marked emphasis on economic issues since that is the new dimension of diplomacy. In view of the 1995 United Nations World Conference on Social Development we will be working on proposals related to employment and migration.

We have new priorities such as "apertura" [market liberalization], science and technology, and scientific development. We will continue working on others such as drug trafficking, the environment, and human rights. After 1995 we have the mission of leading the countries of the Non-Aligned Movement, for which we are committed to take an active diplomatic role in international fora, and representing all 110 member countries.

[EL PAIS] What is being proposed as a goal for the countries of the Non-Aligned Movement?

[Pardo] To modify the initial agenda which was based on decolonization and nonalignment. However, it is valid to seek an international system which is more fair and

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balanced. We are going to recognize that the focus of international relations is no longer conflict but cooperation. We will strengthen the poor countries' capacity to negotiate with the rich ones and the mechanisms available to them.

[EL PAIS] How much has the narcocassette affected Colombia's image abroad?

[Pardo] The situation was already serious and difficult with regard to the country's image abroad, but the cassette was a considerable blow. Unfortunately, an image can be seriously harmed in one day, and many months are required to restore it.

[EL PAIS] What will be your strategy to improve the country's image?

[Pardo] We are preparing one. It will include a small group in the ministry which will be responsible for designing a wide array of materials and conferences, with special tasking to address specific problems. It would give guidance to ambassadors as to what they must do, and will provide a wide array of information to the large communications media worldwide. Vice President Humberto de la Calle will play a very important role as a promoter of our image abroad and through his participation in multilateral fora.

In the area of human rights, we are ready to work toward a constructive relationship with nongovernmental and international organizations. We will open the doors in such a way that what they say will support our policies and not present an obstacle.

[EL PAIS] How will relations with the United States be "denarcotized"?

[Pardo] We will continue to seek the cooperation of the United States and all the international community to put an end to drug trafficking, but also to prevent it from affecting other aspects of our relations. In the coming months Ministers of Defense Fernando Botero, Minister of Justice Nesto Humberto Martinez, and myself will travel [to the United States] to exchange views and information with the U.S. officials and directors of the various government agencies.

We have proposed the creation of a high-level binational commission, which would include ministers, as an entity responsible for plans and programs related to drug trafficking, for coordinating among the different agencies so that there is coordination and centralization of views in order to address each problem.

[EL PAIS] What is the outlook for relations with Venezuela?

[Pardo] Economic integration has created a favorable environment for dealing with more sensitive issues. The best thing would be for Venezuela to overcome its economic crisis because the only insurmountable obstacles are the internal problems. The border question will continue to be handled by the binational negotiating commission since it has been achieving good results.

[EL PAIS] Will relations with Cuba be strengthened?

[Pardo] Yes. The outlook with regard to economic issues is good. We will pursue a more active policy aimed at achieving closer relations with all Central American and Caribbean nations. We reiterate our rejection of the unilateral embargo because it hurts the people and not the processes.

[EL PAIS] What position will be taken with respect to Haiti?

[Pardo] Colombia will continue to support the recognition of Jean Bertrand Aristide as the democratically elected leader.

[EL PAIS] Will the fact that President Cesar Gaviria will be Secretary General of the OAS bolster our image?

[Pardo] It will be advantageous because I have confidence that President Gaviria will restore credibility to that organization which we have always supported despite its inability to provide solutions to the serious problems in Latin America. He will make it into a true forum for discussion.

[EL PAIS] Will you continue the policy of prisoner repatriation?

[Pardo] There is the political will to seek every kind of mechanism for repatriation. An agreement with Spain is ready to be signed. The one with Venezuela is awaiting ratification by the Congress and others are in the process of being negotiated.

[Box] Expert Negotiator

Rodrigo Pardo Garcia-Pena is 35 and a native of Bogota. His academic background is in political science and he has a master's degree in international relations from Johns Hopkins University in Washington.

He has broad experience in international affairs since he served as deputy foreign minister under Luis Fernando Jaramillo near the end of the Barco administration and at the beginning of the current administration.

He was then named ambassador to Venezuela from where he was called by his personal friend, then candidate Ernesto Samper, to join the communications directorate of his presidential campaign. Since his days as a student he has been described as an expert negotiator and a born diplomat.

Government Approves 5-Year Drug Program

PA2507172994 Santa Fe de Bogota EL ESPECTADOR in Spanish 18 Jul 94 pp 1, 12A

[Report by Julia Navarrete]

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[Text] The government has approved a new program designed to control the drug scourge and which will have to be implemented by the president-elect.

At a time when the United States is criticizing Colombia for supposedly lowering its guard in the fight against drug trafficking, the Colombian Government has approved strategies and policies to be implemented over the next five years. The program is designed to overcome the problem of our country's drug production, trafficking, and consumption.

Last week at its final meeting under the current administration, the National Drug Council approved after several reviews and debates the entire "National Plan To Overcome the Drug Problem" [Plan Nacional Para la Superacion del Problema de la Droga].

The plan, which is outlined in an extensive document in which the social, cultural, economic, and environmental consequences for Colombia are reviewed, will have to be carried out by Ernesto Samper Pizano's administration through the National Drug Directorate.

The document, which has not yet been published but was seen by EL ESPECTADOR, will provide the framework under which the Colombian nation, through state agencies, nongovernment organizations, and the general public, will face the drug problem.

The first goal will be to progressively combat and systematically reduce the causes and manifestations of this serious scourge through community participation, effectively linking civilian society to this problem according to the principles of the 1991 National Constitution. These principles seek to stress theories of fairness, democratic openness, decentralization, self-help, citizens' coexistence, and participative planning.

To this end, the National Plan To Overcome the Drug Problem contains six policies which, when applied in accordance with the situation in Colombia, will help reduce the palpable signs of the drug problem.

The Six Policies

First, the justice system will be strengthened to support the de jure state with the goal of resolving differences within parameters acceptable to all and to restore confidence in the justice system. With this end in mind, policies will focus on curtailing impunity and criminality.

Control and interdiction will be implemented to prevent and repress criminal activities, including all activities that one way or another serve to support drug trafficking; the manufacture and movement of components essential to drug processing operations; transactions of goods, such as planes and boats; so-called "money laundering" activities; and weapons trafficking. The policy will incorporate surveillance and administrative controls on personal and commercial activities that could lead to criminal activities. It also includes police efforts, harsher sentences, and the eradication of crops through herbicide spraying operations.

Alternate Development: This policy is aimed at complementing crop eradication activities with social investments to prevent, restrain, and eliminate the growing of illegal drugs. It will be limited to rural farming regions where programs will be designed and based on community participation to cut demand for psychotropic substances by becoming involved in four areas influencing quality of life: environment, standard of living, sociocultural values, and by encouraging revenues from legitimate sources.

Integrated Prevention: This policy will seek to develop awareness of the problem; identify gaps in individual, family, and community development; reduce vulnerability and increase advancement to create alternatives to drug-related problems in all of their various forms.

Even though the plan focuses on drugs described as illegal, prevention programs will also include cigarettes and alcohol as targets in the struggle against addiction to harmful substances.

Treatment and Social Reinsertion: This will be based on giving attention to drug addiction within family and community social contexts, as well as providing venues for those individuals affected by drugs to participate in solutions to the problem through soundly planned self-help processes.

The rehabilitation processes will be accompanied by programs that will promote social and economic development for drug users, thereby helping develop vocational and employment activities that will facilitate their incorporation into society and the labor market.

International Cooperation: This policy will seek to encourage the international community to tackle the drug problem within the context of it being a multifaceted, international issue. As such, the problem must be approached in an integrated manner, encouraging bilateral cooperation based on agreements in the political, cultural, economic, financial, technical, judicial, and scientific spheres—in addition to cooperation in control and interdiction efforts—to combat production and distribution of essential chemical substances, money laundering, weapons, explosives trafficking, and other related problems.

Prosecutor Favors 'Drastic' Position on U.S. 'Pressure'

PA2607043494 Mexico City NOTIMEX in Spanish 1445 GMT 20 Jul 94

[Text] Santa Fe de Bogota, 20 Jul (NOTIMEX)—Colombian Prosecutor General Gustavo de Greiff said today he favors a "drastic" position in light of U.S. pressure on the fight against drug trafficking.

De Greiff asked for composure, given Washington is not giving the U.S. Senate's decision to stop aid to Colombia for the fight against drug trafficking the importance it has received here.

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The Senate unanimously passed a bill last week that freezes funds destined for Colombia until the Colombian Government certifies its fight against drug trafficking cartels and investigates the presumed links between government officials and the mafia.

"No important U.S. newspaper carried that story," de Greiff argued, saying "Colombia should adopt a more drastic and vigorous attitude toward Washington's interference."

"We are mature enough to conduct ourselves freely and to demand respect for our sovereignty," de Greiff added.

Relations between Colombia and the United States have deteriorated following the disclosure one month ago of taped telephone conversations in which the leaders of the Cali cartel asserted they had donated millions to the campaign of President-elect Ernesto Samper.

"If the United States will not give us its aid with dignity and respect for our sovereignty, we should not accept it," the Colombian prosecutor general said.

President Cesar Gaviria's government warned on 22 July he will unilaterally refuse any aid from the United States if the Senate bill is passed and will seek other resources for the fight against drug trafficking.

"It is sad that Simon Bolivar had fought so hard to give us our independence and sovereignty and that we are throwing it all overboard," said de Greiff, who insisted the government take a more forceful position in rejecting U.S. pressure exerted on the drug trafficking issue.

De Greiff: No Arrest Warrant Issued for Cali Cartel Chief

PA2507195194 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 23 Jul 94

[From the "Seven O'Clock Newscast"]

[Text] President Cesar Gaviria today asked Attorney General Carlos Gustavo Arrieta to intervene to prevent the Prosecutor General's Office from lifting an arrest warrant against Gilberto Rodriguez Orejuela, who is accused of being a chief of the Cali cartel.

Meanwhile, Prosecutor General Gustavo de Greiff said no arrest warrant had ever been issued against Rodriguez Orejuela.

The incident is causing a reaction within the government, because U.S. justice officials had forwarded charges against Rodriguez Orejuela, who is accused of shipping drugs to that nation. The incident also is creating another legal controversy between President Gaviria and Prosecutor General de Greiff in which the president has been unable to publicly hide his annoyance.

The controversy began two weeks ago when the Prosecutor General's Office decided it would close proceedings initiated against Gilberto Rodriguez Orejuela on evidence turned over by a court in Louisiana, the United States, because the evidence could not be corroborated with charges in Colombia. This situation resulted in President Gaviria asking Attorney General Carlos Gustavo Arrieta to appeal the Prosecutor's Office decision to close the only proceedings involving Rodriguez Orejuela.

Prosecutor Gustavo de Greiff replied a few minutes ago to President Cesar Gaviria's letter, indicating the president is not well-informed. He added that at no time had an arrest warrant been issued against Gilberto Rodriguez Orejuela. Here is what Prosecutor de Greiff said a few minutes ago:

[Begin De Greiff recording] It is a shame that the president is not better informed. An arrest warrant has not been lifted; rather, the issuance of an arrest warrant has been blocked. The prosecutors, in making their decision, indicate that on numerous occasions they contacted the United States and U.S. judicial authorities, asking them for evidence. This evidence was not supplied.

This is doing great harm to the nation, considering they want to make this appear as if the Prosecutor General's Office annulled an arrest warrant while having evidence in hand, which, as I have said, is not true. [end recording]

[Madrid EFE in Spanish at 1445 GMT on 25 July, in a related 270-word, Santa Fe de Bogota-datelined item, reports: "Miguel Rodriguez Orejuela [brother of Gilberto Rodriguez Orejuela] is asking that the courts place him under house arrest in the event that he surrenders to justice, because he fears being murdered in prison." The EFE report, which cites the 25 July edition of SEMANA magazine, notes that Miguel Rodriguez Orejuela, when speaking to reporter Alberto Giraldo in one of the controversial narcocassette recordings, said that in Colombian jails "it is easy to be murdered."]

FARC Presence in Meta Department Described

PA2607045494 Santa Fe de Bogota EL TIEMPO in Spanish 20 Jul 94 p A8

[Text] Meta Department is a virtual powder keg: 960 guerrilla members from nine fronts of the Revolutionary Armed Forces of Colombia (FARC) have their base of operations in Meta Department. From this department they move toward the eastern plains, Cundinamarca Department, Tolima Department, and the Amazon jungle.

The FARC is a clear example in Meta Department of the splintered guerrilla fronts that remained following the military occupation of their central headquarters in Casa Verde in 1990. The FARC insurgents are nomads now, but even the secretariat of that organization moves across that area and through Guaviare Commissariat with relative ease.

Meta Department is also the base of operations for the Eastern Block General Staff (EMBO) under the command of Jorge "El Mono Joyjoy" Briceno. EMBO consists of 16 fronts that operate in the southeastern part of the country.

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All these groups are supported by a FARC network of new urban guerrilla forces. There are strong Bolivarian militiamen in Villavicencio who are in charge of urban terrorism and who, according to official sources, were responsible for the murder of General Carlos Julio Gil Colorado.

The order reportedly had come directly from the secretariat so the murder would be committed by the Bolivarian militiamen.

The constant counterinsurgent operations planned and ordered by General Gil were the main reason the FARC rebels decided to murder him.

That guerrilla group had many reasons to kill Gil. The first reason was the constant persecution of that organization's Secretariat and against EMBO, which began as soon as Gil took command of the 4th Army Division. The report of operations carried out by the 4th Army Division commanded by Gen. Gil during the first three months of 1994 indicates 65 rebels were killed, all of them belonging to FARC.

But there is another reason why the FARC wanted to kill Gen. Gil. At least two fronts operating in Meta Department are exclusively committed to the growing, processing, and trafficking of cocaine, and 4th Army Division troops had dealt hard blows to that cocaine producing and selling organization.

The 31st and 42d fronts, consisting of more that 200 men, have drug trafficking as their only task. They have received harsh blows from the Army, which has destroyed at least 10 cocaine processing laboratories guarded by FARC guerrilla members and has also made it difficult for the rebels to transport along the Bogota-Villavicencio highway the materials needed for the processing of cocaine.

What has become evident with Gen. Gil's murder is that the FARC has consolidated such power in Meta Department over the years that it was able to carry out a murder of this magnitude.

An Armed Forces official estimate of guerrilla activities in Meta Department says the FARC has let the other rebel groups in the area know that area can only be occupied by FARC members. That is why only FARC rebels operate there. The ELN [Army of National Liberation] and the EPL [Popular liberation Army] do not operate in that region.

The nine fronts operating in Meta Department are the 7th, 16th, 26th, 27th, 31st, 40th, 42d, 43d, and 44th fronts, each one having an average of 120 members armed with long-range weapons.

All these groups are supported by two urban networks, names unknown, which coordinate a group of no less that 120 militiamen in Villavicencio.

Army Commander Discusses Assaults in Uraba

PA2507192594 Santa Fe de Bogota Inravision Television Canal A Network in 1800 GMT 24 Jul 94

[From the "Cripton" newscast]

[Text] [Unidentified announcer] The final casualty toll from an attack by a subversive column on a National Army security post near Dabeiba Municipality in the Uraba region of Antioquia Department is as follows: 10 soldiers dead, four injured. The guerrillas also sustained casualties. Special correspondent Carlos Alfonso Jaramillo filed a report from that region of the country:

[Begin recording] [Jaramillo] In Uraba, clashes are continuing today between members of the (Boltijeros) Battalion of the 17th Brigade of (Carepanes) and FARC [Revolutionary Armed Forces of Colombia]. So far, casualties are as follows: 10 soldiers dead, four injured, and 20 guerrilla casualties.

The clashes occurred in the municipalities of Mutata and Dabeiba at a construction firm guarded by the National Army in (Pasado). More than 300 subversives ambushed the soldiers who were guarding the Ponchibiles Construction Co. About 40 members of the Armed Forces resisted courageously for more than 11 hours until two squads of reinforcements arrived. The reinforcements pursued the subsersives throughout the region. At this time, clashes are continuing just a few kilometers from where the subversives attacked the Army control post.

[Unidentified military officer] We have enough troops and enough air support to face this situation.

[Jaramillo] More than 180 men are involved in operations in the zone of conflict. [end recording]

[Announcer] Meanwhile, General Hernan Jose Guzman, commander of the Army, will voice his opinion, via microwave, on the most recent reports. Good afternoon, Gen. Guzman.

[Guzman] Good afternoon.

[Announcer] Gen. Guzman, upon your return from the Uraba region in Antioquia, what can you tell us about the guerrilla attack that took place hours ago in which 10 soldiers—10 of your men—were killed?

[Guzman] I was in Uraba yesterday afternoon. I returned last night. I was informed about the developments by various commanders. We must point out that the Colombian Army has some of the best fighters in the world. Our men fought the best they could amid the situation in (Pasado). The subversives have changed their strategy and the National Army is therefore implementing a number of special measures.

[Announcer] Gen. Guzman, the guerrillas, however, are attacking very frequently, and have left a trail of dead people throughout the country. What are you actually doing to combat this, General?

[Guzman] What do the guerrillas want? They want to recover prestige and ideologies that were lost in recent years. Why? Because there is a change in government. We noticed that they have tried to bring in children and Indians of the region to fill the void left by dessertions, because people no longer believe in them. Therefore, the

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Army has changed its strategy in recent days to go into action and confront the new situation.

[Announcer] Gen. Guzman, does the Army need the help of the citizens to combat subversion?

[Guzman] Today, more than ever, we need the support of the citizens, of all Colombians. The Colombian people have always trusted their Army; they have felt the presence of their Army. Today, more than ever, we want to say that the Army will not yield and will always move forward.

Let us remember, for example, that we have inflicted 67 casualties on the criminals in the past eight days through a number of operations conducted by the National Army. We killed three subversives last night in Guataqui, here in Cundinamarca, and we recovered weapons. This is according to the reports. If people believe in us, we will forge ahead.

Government Creates Human Rights Commission

PA2607031594 Santa Fe de Bogota EL ESPECTADOR in Spanish 20 Jul 94 p A12

[Text] The government, though Decree No. 1533, has created the Human Rights Commission, under the auspices of the Administrative Department of the Presidency of the Republic.

The commission will work as a unit for political consensus and measures to promote the protection of human rights. This commission will be comprised by the director of the Administrative Department of the Presidency; the defense and foreign ministers; the presidential advisers for human rights, peace, defense, and national security; the prosecutor general; the ombudsman, and the director of the Colombian Red Cross.

According to Decree No. 1533, the commission will be tasked with the following:

- To develop and further the discussions of issues and proposals presented at the Human Rights Forum held on 21 and 22 July and give those discussions the appropriate interpretation for an adequate drafting of policies, measures, and programs.

- To propose to the public or private institutions responsible for this issue formal recommendations on the adoption of policies, measures, or programs related to human rights.

- To organize the necessary subcommissions or working groups for the development of their activities, based on plans previously approved by the commission.

Peru

Fujimori Praises Armed Forces on Antiterrorism

PY2507171394 Madrid EFE in Spanish 2354 GMT 23 Jul 94

[Text] Lima, 23 Jul (EFE)—Peruvian President Alberto Fujimori praised today the "decisive" role being played by the Armed Forces in eliminating terrorist subversion.

In a speech on the anniversary of the Peruvian Air Force and on the 53d anniversary of the death of the hero of Peruvian military aviation, Captain Abelardo Quinones, President Fujimori emphasized the role played by the Air Force in the fight against terrorism and drug trafficking.

Fujimori said the Air Force played a basic role in defending national sovereignty and fighting terrorism, "whose objective was to destroy the country, and install a totalitarian, and brutal regime."

Fujimori added that the military support "was decisive for beginning a process that gave results the Peruvian people can now see."

The Air Force, said Fujimori, fought on two fronts: Repressing terrorism and drug trafficking, and developing civic action by providing aid to remote regions.

He said: "This war was not only won with bullets because fighting terrorism also meant fighting the poverty, isolation, and oblivion affecting many settlements in the mountain range and jungle regions."

Fujimori added that the alliance between terrorists and drug traffickers imposed its presence in different parts of the country "when the serious economic crisis was weakening the nation."

Fujimori pointed out that he alone had to face, without resources, and on unequal terms, hyperinflation and political violence.

Fujimori noted within that framework the role played by the Armed Forces in fighting "powerful forces." He added that the struggle is now being carried out under better conditions because the country's economy has improved.

Nuclear Energy Insitute Head Appointed

PY2507165294 Lima EL PERUANO (LEGAL SUPPLEMENT) in Spanish 12 Jul 94 p 124598

[Text] Supreme Resolution No. 033-94 EM

Lima, 11 July 1994

Whereas:

That the post of president of the Peruvian Institute of Nuclear Energy, IPEN, is vacant;

That, consequently, it is necessary to appoint an official to fill this post;

That in compliance with Decree Law No. 560 and Decree Law No. 25515;

And in compliance with what has been agreed;

It is hereby established:

Single Article: As of this date, Navy Captain (AP) [Peruvian Navy] Luis Gamarra Elias, retired, is appointed IPEN president.

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It is so ordered.

[Signed] The constitutional president of the republic;

Energy and Mines Minister Daniel Hokama Tokashiki

New Drug Trafficking Center in Ayacucho Viewed

PY2607012994 Madrid EFE in Spanish 1703 GMT 25 Jul 94

[Text] Lima, 25 Jul (EFE)—The locality of Palmapampa, in the Southern Andean department of Ayacucho, is today an important center for cocaine trafficking, and where traffickers pay Peruvian peasants to plant poppies.

A television program [not further specified] in Lima last night reported that Palmapampa is "the new drug trafficking capital" of Peru. Several witnesses reported that the local military garrison looks kindly upon the illegal drug trade.

These witnesses said one Army captain charges Colombian traffickers $20,000 for the landing of each plane, which carries up to one ton of cocaine paste.

Traffickers now use larger planes to transport the drugs. The smaller planes they used in the past could carry only between 500 and 600 kg.

The same report adds that dangerous Colombian traffickers live in Palmapampa, like the one called "Lucho Culon," who is wanted by the Peruvian Antidrug Division, Dinandro.

Dinandro Director Walter Taboada Milla today told the economics newspaper GESTION that by September his organization will know where poppies are planted in Peru.

Taboada added that two of the 25 departments in the country have been examined. Several poppy plantations were found in one of them, but the area did not exceed 2 hectares.

The Dinandro chief said that although poppies can be planted anywhere in Peru—except in the jungle—they are "profitable" only in some special places.

He said Colombian traffickers are looking for suitable zones to plant poppies. They want to produce larger capsules. What is extracted from the latex of the capsule is then transformed into opium, and later into heroin and morphine.

Taboada Milla said that since 1993, Colombian traffickers have been bringing poppy seeds to Peru, charging $300 per kg or in some cases giving the seed free or paying the peasants to plant the red-flowered plant.

The police chief said: "The plantations are generally less than 1 hectare. The plantations are widely dispersed to prevent them from being easily detected."

He added that so far they have not found any laboratories to process the latex.

Peru has already implemented a law to punish poppy planting, and under this law the antidrug police have been mobilized.

Roundup of Economic Reports

PY2507233694

[Editorial Report] The following is a compilation of reports on economic activities in Peru monitored through 21 July.

Another "successful result" was obtained on 12 July with the privatization of two companies owed by the Lima Electric Power Enterprise. Two consortiums made up of Canadian, Chilean, Peruvian, and Spanish companies paid 50 percent more than the established basic price for the shares. The Distrilima consortium paid $176.49 million for the Edelnor company, and the Ontario Quinta AVV consortium paid $212.12 million for Edelsur. (Lima Global de Television Network in Spanish 0130 GMT 13 Jul 94)

The Central Reserve Bank has reported that net international reserves increased $103 million through 15 June, raising the total reserves to $4.772 billion. The government's privatization process has greatly increased the reserves, a significant portion of which has been deposited in banks abroad. (Lima EL PERUANO in Spanish 4 Jul 94 p B2)

In 1993 the trade balance with Colombia registered a $116.4 million deficit. Exports were $89.3 million and imports $205.7 million. Local exporters said this deficit is the result of the high production cost of Peruvian exports. (Lima EL COMERCIO in Spanish 13 Jul 94 p E3)

On 8 July the Peruvian and German Governments signed technical and financing cooperation agreements worth $11 million. The money will be used to implement health and educational projects and to support energy, agricultural, and fishing programs. (Lima EL PERUANO in Spanish 9 Jul 94 p A2)

The anchovy catch has increased 119 percent since 1991, when the Ocean Institute of Peru, Imarpe, begun to implement a biological control system. Imarpe executive director Cesar Chavez reported that the January-May period catch rose from 3.8 million metric tons in 1993 to 4.6 million metric tons this year. (Lima EXPRESO in Spanish 4 Jul 94 p A19)

President Alberto Fujimori has announced that the debt owed by 13,000 peasants to the former Agrarian Bank has been reduced from $350 million to $125 million. He also stated that the government will subsidize two-thirds of this debt, and that peasants will be able to cancel the balance in exchange for agricultural products over a period of no less than five years. (Lima EL PERUANO in Spanish 25 Jun 94 p A3)

On 30 June President Alberto Fujimori reported that the minimum wage for public servants will be 300 new soles,

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and that the wage scale will be based on this amount. He noted that this measure was adopted in order to balance public employees' wages with the minimum salary paid to teachers and health workers, which was increased last April. This measure will be in effect as of July. (Lima EL PERUANO in Spanish 1 Jul 94 p A1)

Venezuela

Caldera Speaks at Journalists Convention

PA2507160094 Caracas Venezolana de Television Network in Spanish 0140 GMT 25 Jul 94

[Speech by Venezuelan President Rafael Caldera at the 10th National Journalists Convention in Maturin, Monagas State; date not given—recorded]

[Text] Ladies and gentlemen, friends: I hereby extend cordial greetings, conveying my regards and affection to the Venezuelan journalists who have gathered for this convention. I also extend cordial and brotherly greetings to the representatives from Chile, Costa Rica, and the Dominican Republic, all of whom are so readily aware of Venezuela's reality.

I have come to bring a message of optimism at a particularly difficult time for the country. In the words of Eduardo Orozco [president of the National Association of Journalists]: Venezuela is experiencing difficult and demanding times. We are undergoing a crisis whose seeds were sown over the past few years; its magnitude in many ways cannot even be imagined.

Just when an effort was being made to put the Venezuelan economy on course, the financial crisis emerged. Its proportions were such that, left to its own devices, it would have tragically dashed every opportunity for the Venezuelan economy for a long time. It was precisely the banking crisis that prompted a hasty devaluation of our currency. Had this not been done, who knows where Bolivar's name, which is on Venezuela's currency, would have ended up. We had to apply a tourniquet, and although it was a harsh and difficult decision to make, it had to be made to save the fundamental part of our economic lives.

This devaluation of the currency was accompanied by artificial pressures prompted by the speculation, fear, and distrust fostered by rumors that were disseminated with impressive skill. These pressures were so great that all of the country's monetary resources might have been taken out of the country in the form of foreign currency. We could not allow our international reserves to be depleted, because the country would have been reduced to a groveling that would have been very difficult to overcome.

We adopted stern measures, but we found the crisis was not the result of a natural situation. Its causes were not natural but human. It was largely—and this is what I said at the inauguration of the FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry] National Assembly—the result of an organized, criminal mafia which in a perverse and skillful manner attempted to take advantage of the resources of depositors—depositors who, in good faith, were saving their money—to do business and to attain wealth that was impressive and even appalling. The general public saw individuals make astronomical sums overnight; they purchased airplanes that cost many billions and could enjoy the luxury of frequent trips abroad. Their brazenness was a direct offense against the Venezuelan people.

It is enough to say that Banco Latino, which launched this crisis, just days before its intervention opened a branch in Paris, at the Rivoli Hotel [words indistinct]. They lavished all of the money in the world on a group of guests to please them by opening a branch that would produce no benefits or wealth for the country.

We had few details at the time, but those intervening in the banks have gradually discovered through their investigations into banking activities that a carefully planned and artificially administered effort was carried out to acquire a number of properties that would appear under the names of ghost companies with no apparent connections to their true owners, who were the directors of this bank and who were using the resources placed there in good faith by depositors and savers.

We have encountered a mafia situation. I said yesterday, and I will repeat again, that all bankers are members of the mafia. [sentence as heard] I respect honorable bankers, but I must admit that a good portion of the Venezuelan financial system is managed in an unscrupulous manner, violating every moral principle without any ethical rules. These are the people who have disrupted the economic situation, prompting the flight of foreign currency and a devaluation that took the shape of inflationary pressure which, in turn, was taken advantage of and multiplied in a criminal manner by speculators within the commercial sector.

We had to deal with this. We must deal with it. Venezuela's needs demand this of us.

This is why I have been forced to reinstate the decree that suspends constitutional guarantees. If constitutional guarantees were reestablished—as a majority of Congress decided in an impetuous and unusual manner—the government would be deprived of all effective mechanisms to stop blatant theft; to restore public trust and Venezuela's right to a number of assets, a right of which Venezuela was stripped; and to demand strict norms of conduct from the remaining banks in order that they honor their obligations to the Venezuelan people. [applause]

By the way, fellow journalists, some economists blame current economic mishaps on the economic policy being implemented by my administration, which has not yet

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been in power six months. They forget that the causes for this economic situation piled up over a period of years in which society in general and the public sector in particular were being deceived. When the Banco Latino crisis emerged, the banking superintendent told President Velasquez that the crisis would cost as much as 6 billion bolivares. When the Banco Latino case was thoroughly studied, investigated, and managed, the situation changed to such an extent that, in the end, this bank's crisis exceeded 300 billion bolivares. Other banks experienced a similar situation, and the government had no choice but to intervene.

Following a decision by the president of the Central Bank and Dr. Martino, president of the Deposit Guarantee and Banking Protection Fund, banks received financial assistance in an attempt to rescue them. Studies, bank managers, and government officials themselves indicated that the situation could be normalized with relatively substantial financial assistance—assistance which, after all, could and should be authorized on behalf of individuals who placed deposits in the banks in good faith. Only after the situation presented by the new managers became increasingly severe, only after realizing that no other solution was possible, and in spite of the Venezuelan state's huge efforts to save the banks, was a decision made to intervene in the banks.

Prevailing laws are not enough to deal with a situation of this magnitude. On the very same day Congress decreed the restoration of constitutional guarantees, thereby implying that existing laws were enough for the government to deal with the situation, it acknowledged the limitations of the current laws by convening special sessions to discuss the emergency bills the government submitted. This clearly proves that Congress itself is aware that current laws may be adequate in dealing with normal situations, but they are insufficient when facing such dramatic situations as the one were are now enduring.

Also, I would like to add one more thing: Supporters of neoliberal economics, those who believe the market is a God that will resolve all problems and who maintain that it is enough to give them the freedom to do their business however they wish because that will end the hunger and difficulties experienced by large segments of the low-income population, are odious enemies of any economic measures the state may adopt in representation of Venezuelan society and as the guarantor of the people's health.

Neoliberal advocates sometimes refer to the Chilean case to imply that the application of neoliberal policies in Chile has produced a bonanza or relative superiority over other Latin American countries. There are Chilean representatives here who can vouch for the truth of my words. General Pinochet assumed absolute power in Chile in 1973, established a despotic and cruel dictatorship in the political aspect, and, at the same time, liberal economic policies inspired by the teachings of Milton Friedman and the Chicago Boys.

He gave complete freedom to those who were in charge of the economy to do whatever they wanted. Nine years later, in 1982, the banking sector faced a crisis that was as serious as the one Venezuela is currently facing. There was a need to intervene banks that held 60 percent of all deposits in the nation's entire banking system. This showed that for nine years the absolute application of the Chicago Boys' neoliberal economic system in Chile was incapable of preventing a crisis so serious that it resulted in the intervention, protection, and assistance of banks that cost more than $4.5 billion—assistance which those banks have not yet been able to return to the Central Bank of Chile. A few prominent bank officials were imprisoned as a result of this.

In Venezuela, the neoliberal experiment was to a great degree the promoter of the banking system situation we are now experiencing and trying to correct. I have said the crisis belongs to everyone and that the solution should involve everyone.

My journalistic friends: You have a great role to play in the recovery of Venezuela. You must help restore trust and civility in the country. You are the ones who can encourage the people to maintain the trust the masses are showing me for having assumed the responsibility of governing in the face of powerful economic groups. [applause]

The people elected me on 5 December to govern, to govern with the people, and to defend the rights of Venezuelans. If I yielded to the powerful economic groups that are trying to force us to maintain a situation that allows them to commit a number of economic crimes, I would be betraying the people's will.

I am counting on you, my journalistic friends. You know about Venezuela's reality first-hand. You interview and intermingle with all segments of Venezuelan society on a daily basis. You see the exact nature of our social problems on a daily basis. Your voice and your presence is indispensable in helping Venezuela recover its self-esteem and in helping Venezuela remain confident that this situation will be reversed. We have the necessary resources to face this situation, as long as we do not falter in defending our efforts that are based on justice—on social justice. Why should we not say this? It seems that it is a sin to say these words at a time when neoliberalism seems to want to impose a new form of imperialism the world over.

We will struggle for Venezuela. It hurts me deeply to see Venezuelans who write or report for international news agencies...[pauses] when I read in a newspaper from the United States or England the signature of a Venezuelan claiming that Venezuela is heading for disaster. This is treason against the homeland! This is a crime against Venezuela! [applause]

They think that in their attempt to hurt the government they have the right to report all of those barefaced lies. I hope that one day the Disciplinary Tribunal of the

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National Association of Journalists will morally sanction these journalists by expelling these criminals who use the columns of the foreign press to denigrate Venezuela and to present a negative view of our country. [applause]

Association President Eduardo Orozco also said—and I agree with him here—that Venezuelan journalism is facing difficult times because of reforms in the journalism profession. I feel very close to this issue, because I had the privilege that the first law in exercising the journalism profession was drafted and promulgated during my first presidential term.

When I served as president of the bicameral commission that studied constitutional reform, we considered, as Eduardo Orozco recalled, the issue of freedom of information. This obviously is a very delicate matter for the government. The government, in light of this bothersome conflict, cannot take sides, but it obviously hopes a fair solution can be found.

We are indeed defenders of the need for dialogue. We believe dialogue is indispensable. Editors cannot turn their backs on the clamors of journalists. We should hear views from both sides, and I believe there are formulas for ensuring justice. Professions that require mandatory registration in associations, in accordance with constitutional provisions—provisions which I, by the way, helped write—cannot be abandoned, while, at the same time, they cannot prevent any citizen from presenting his view.

In order to be a lawyer and practice law, one must have a degree and be a member of the Bar Association. This does not prevent any citizen with enough education from expressing his views, when necessary, on any legal issue that may be related to the life of the state or individuals. The medical profession requires doctors to join medical associations. This of course prevents the illegal practice of medicine, but it cannot prevent individuals from stating their views or any citizen from helping someone suffering from an ailment when there is no doctor around.

I think the situation can be resolved if one acts in good faith. The situation can be resolved if there is goodwill. I hope and wish as a Venezuelan, and as president of the Republic, that this unpleasant debate can be resolved through an equitable understanding that defends the rights of journalists and eliminates any threats on the horizon.

Today, Venezuela requires more than ever the efforts of all its children. Today, Venezuela needs more than ever contributions from all journalists. Media owners must contribute to end this disintegration which has threatened us for years. We must put an end to errors, incapacity, and, above all else, corruption, which has done so much harm to our country.

I know Venezuelan journalists want to struggle effectively against corruption. I know you view with sympathy and support the government's idea—which I myself have promoted—to establish at high-level meetings among hemispheric leaders a commitment and open channels to prevent those who steal the people's money from seeking shelter. These thieves steal the people's money and later enjoy the riches they accumulated in other countries in this hemisphere or in Europe.

I believe that at this moment we must all come together. In the end, you will understand that my message on this controversial issue can be a message of sympathy, love, and understanding for a profession with which I have permanently tried to maintain good relations, and also a message of harmony for you and the other party. You are obliged to reach an understanding, because none of you alone represents the fourth estate. The fourth estate cannot be divided. It must function harmoniously, and, whether or not you like it, an understanding must be reached so you can effectively serve Venezuela.

I once said during a meeting with friends that journalists and politicians are parties in a marriage that is not always in agreement but which is perpetual and indissoluble. There is no divorce. We cannot separate, and we must live in harmony. Now that I am engaged in work that is unquestionably political and which constitutes a major responsibility, I need you. I need your friendship, understanding, and support. Not for me, not for the government, but for Venezuela.

Venezuela demands that we all make a concerted effort, and through this effort, as I said last night, with help from God, the people and the government shall overcome. Thank you very much. [applause]

Ministers Offer Opinions on Constitutional Guarantees

PA2607002794 Caracas Union Radio Network in Spanish 2200 GMT 25 Jul 94

[Report by Vicente Briceno from Miraflores Presidential Palace; from the "Union Radio News" newscast]

[Text] Explaining the alternatives available to the executive branch for overcoming the impasse with Congress after that body decided to reinstate constitutional guarantees, Decentralization Minister Jose Guillermo Andueza said that even though the Constitution does not provide for a referendum, the democratic character of Venezuela's political system favors a referendum, which could be summoned by presidential decree, an idea that the government is considering.

Dr. Andueza explained that right now the possibility of issuing a decree to allow the people to approve or reject the suspension of constitutional guarantees is being considered. He said the situation is merely political, not legal, thus it should not be brought before the Supreme Court. He added that if an agreement were reached with the legislature to approve the requested draft bills, such as the currency exchange system, reforms to the IDEC [Consumer Defense and Education Institute] law,

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reforms to the Venezuelan Central Bank law, and modification to the financial emergency law, then there would be no need for a referendum. If no agreement is reached, however, President Caldera will have no option other than to call for a consultative referendum.

[Begin Andueza recording] The referendum is simply a way of gauging the Venezuelan people's opinion. Obviously, that opinion has undeniable political consequences. For example, if the people were to say that they do not agree with the suspension of constitutional guarantees, then the obvious political result would be a questioning of the president's authority. On the other hand, if the people say that they agree with the suspension of the constitutional guarantees, that would go against Congress, and Congress would have to obey the decision. [end recording]

Minister Andueza does not believe the resignation of President Caldera or of the deputies, depending on the referendum results, would bring about a political upheaval that would exacerbate the current situation.

Interior Minister Ramon Escovar Salom refrained from commenting on the referendum until a proper means is found to summon it. According to Escovar Salom, this would refresh the democratic system. He said that starting today he will hold talks with different sectors, including political factions, to develop an idea on the subject.

[Begin Escovar Salom recording] We must try to understand the country's uneasiness. That is why I do not want to take a stand on this specific point until I analyze all opinions. There is no doubt that the Venezuelan people like the referendum idea. [end recording]

Former Foreign Minister Fernando Ochoa Antich, who is the new ambassador to Mexico and who was sworn in today by President Rafael Caldera, spoke in favor of an understanding between the executive and legislative branches to overcome the country's crisis. At the same time he favors President Caldera's call for a referendum because he believes it will strengthen democracy.

[Begin Ochoa Antich recording] President Caldera's position is a clear example of bolstered democracy—going to the people to define what is correct. I believe this is a new way of seeing democracy, which will undoubtedly bring forth extraordinary changes in Venezuelan politics. [end recording]

Deputies React to Caldera's Call for Referendum

PA2607012094 Caracas Union Radio Network in Spanish 2200 GMT 25 Jul 94

[From the "Union Radio News" newscast]

[Text] President Rafael Caldera's call for a referendum has prompted several reactions from parliament. Pedro Tabata Guzman, deputy chief of the Democratic Action bloc, has said the head of state is still toying with the people's good faith, because, he says the Constitution does not authorize the president to call a referendum. Deputy Tabata has also called the president to tell the people the truth:

[Begin Tabata recording] I believe the president should immediately tell us—after he ordered all the officials who appeared before the commission to tell lies and who did not tell the truth—to tell us the truth of what is happening in the country, or, if not, he must tighten his belt, gather much courage, and order the dissolution of Congress. I call on him to do so. [end recording]

The Radical Cause Party faction does not share President Rafael Caldera's position on his possible resignation although it favored a constituent assembly, as expressed by Deputy Carlos Melo, deputy chief of the Radical Cause Party:

[Begin Melo recording] [Word indistinct] if the president is defeated in the referendum he has proposed, he should simply correct the course or the economic measures, which have not been the most appropriate for the current situation. [end recording]

Meanwhile, Deputy Jose Miguel Uzcategui, coordinator of the Convergence National Convergence, has said to say there is a conflict between Congress and the executive branch is an exaggeration:

[Begin Uzcategui recording] The government has declared an emergency and believes the causes for the emergency persist, while Congress disagrees and says the causes no longer exist. We believe the executive branch has more grounds for judgment in order to assess the emergency, and, therefore, we believe it should continue. This is not prohibited by the Constitution but is permitted by the Constitution.

It would not appear to the country or the rest of the world to be playing games, issuing decrees, and then reversing them; that is inadvisable. There is a political campaign to harm President Caldera's image in view of the actions he has taken. [end recording]

COPEI To Ask for Ruling on Suspension of Guarantees

PA2607002294 Caracas Union Radio Network in Spanish 2200 GMT 25 Jul 94

[Report by Sayda Pereira; from the "Union Radio News" newscast]

[Text] The Social Christian Party, COPEI, will ask the Supreme Court to nullify the decree suspending guarantees which the government has issued. The party called an emergency meeting on 24 July and Monday and decided to ask the Supreme Court to mediate in this case. COPEI believes the government is violating Congress' supervisory functions with this new suspension of guarantees. Congress had ruled there were no reasons for the continuation of the suspension of guarantees.

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A possible referendum was also discussed at the meeting, and it was learned COPEI will support such a referendum if the media are given free access to dollars and if there is media freedom to broadcast the process; this will only be possible if personal guarantees are restored.

[Begin unidentified speaker recording] If the referendum is conducted and the government wins, there would be nothing to stop the government from dissolving Congress, but if the government loses the referendum, the president and not the cabinet must step down. [end recording]

In any case, COPEI will submit to the Supreme Court in the next few hours a request for it to rule on this issue. COPEI believes this is necessary for the calmness of the country.

Minister Rejects Allegations by Swiss Bank

PA2607043594 Caracas Union Radio Network in Spanish 1100 GMT 22 Jul 94

[Report by Vicente Briceno from Miraflores Palace; from the "Union Radio News" newscast]

[Text] Finance Minister Julio Sosa Rodriguez has rejected the allegations made by the Swiss Bank Corporation regarding the reforms in our country, inasmuch as these do not reflect the reality of Venezuela.

According to a report published in a well-known national newspaper, that international bank has described as imprecise and erratic the government's recent measures, which have, therefore, caused greater confusion and uncertainty. The Swiss Bank Corporation has predicted the economic policy will fail due to a lack of coherence and because it has not resolved the structural causes that are undermining the Venezuelan economy. The Swiss Bank Corporation added the government will inevitably not have any other alternative but to give bitter medication and implement an orthodox stabilization.

Regarding these statements, the finance minister urged people not to heed these predictions, because, according to him, this will delay the plans the present administration is implementing. Sosa Rodriguez feels there is no explanation between what is published abroad and what is happening in the country, more so when foreign investors have shown an interest in the possibilities that Venezuela has to offer. The finance minister insists certain individuals are interested in buying the country at very low prices. [sentence as heard]

COPEI Internal Elections Process Outlined

94SM0397B Caracas EL UNIVERSAL in Spanish 12 Jun 94 p 12 Section 1

[Text] Coming soon the watchword of the COPEI [Social Christian Party] will be challenged. Everyone will be conjugating the verb "to challenge" in every possible tense. And this is because the process of internal party elections, with a view to the renewal of the party's officers, is beginning.

The most delicate position will be that of the members of the National Electoral Commission and the regional and municipal electoral commissions.

The problem is that in an electoral process, there is a need for confidence in the arbitrator, but in this country, no one has confidence in anyone. Everyone, particularly in the political parties operates on the basis of plots and schemes.

Because of this, an effort is always made to ensure that each candidate has a representative in the electoral courts, in order to make the whole process more or less legal and honest and as just as possible.

The current electoral arbitration court is made up of Felipe Montilla, as president; Orlando Contreras Pulido, who has withdrawn temporarily for reasons of health; Hector Martinez, who has left; Carlos Guia; Jose Luis Zapata, who is inactive; Rodolfo Alvarez Bajares, of the Guillermo Alvarez Bajares family, who has gone over to the Convergence; Carlos Rodriguez Ganteaume, who is inactive and is the assistant of Pedro Pablo Aguilar in the Christian Democratic Organization; and Johnny Diaz, among others.

It can readily be seen that the operational capacity of the commission is limited by the vacancies and the resignations, and this means that those remaining must work harder. However, they are human beings, not machines.

The Electoral Commission will have to rely for a part of its work on the technical commission, presently made up of no one, although it is presumed that the members will be appointed next week.

In addition, this technical commission will have to rely on the work of the Organization and Data-Processing Secretariats, which will collaborate on the process of vetting the voters' lists, counting and recounting and sorting out the members, or in other words, determining which of them support the COPEI, and which support the Convergence.

Then there are the regional electoral commissions. There are 24 of them, one for each regional committee. They control the party elections and the operational bodies.

Later, the so-called national assemblies come into play. They are also governed by a national electoral commission that has not yet been appointed, either.

The Electoral Mechanics

When the COPEI held the election for its presidential candidate on 25 April 1993, each possible candidate had a representative with the National Electoral Commission and the regional electoral commissions.

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These delegates or representatives have the right to express their views but not to vote. They can only "make a fuss" in defense of those they represent.

The regional commissions, which are made up of five members, need to be reorganized, as do the municipal electoral commissions.

Where Miranda is concerned, some are returning while others have left.

The vice president went over to the Convergence, leaving an absolute vacancy.

Natural Procedural Problems

National electoral commissions are always faced with some problems. First of all, in the majority of cases they do not personally know many of the members of the regional electoral commissions whom they appoint to carry out the reorganization process.

And so what happens, as Enrique Aristiguieta once put it, is that they must "fly on instruments." In other words, the members of the national electoral court must rely on the recommendations made to them concerning the appointment of this or that individual.

Second, care must be taken to ensure that the regional commissions are balanced, or in other words, that there are as many representatives, as a function of the candidates, as possible.

On the ideal electoral commission, no one would represent anyone, but as this situation never exists, what is sought is to ensure that everyone feels that he is represented.

Launching the Process

The appointment of all of the electoral commissions is completed in the most normal possible way. It can be said, then, that the internal process begins.

But when it comes time for registration, counting, and revising the lists of voters, difficulties begin to develop. For example, the lists of names do not arrive on time. Or the name of an individual appears twice because he is listed both as a senator and as a private citizen.

All of these things have to be sorted out as the process develops.

Then the electoral commission must apply the Electoral Regulations for Internal Officials. It sets forth conditions and requirements different from those that apply to elections for popular representatives.

Even with the regulations, special cases will arise, and then the commission must issue resolutions as it goes along. During the last electoral process, 17 resolutions were issued.

But what is most essential with regard to the resolutions is that they be announced in time. And the second most important thing is that this information must reach everyone.

Very often it has happened—not necessarily due to bad faith, but because of the way the process was organized—that the resolutions have not been made known in timely fashion and so injustices have occurred.

The Election Materials

Another responsibility of the Electoral Commission is to prepare the electoral materials, because there are many elections, in which the delegates for the municipal committees, the municipal authorities, the members of the regional committees and the operational bodies, and the delegates to the national convention are chosen.

In addition the electoral court must prepare documents—for the installation of officers, for voting, for vote counting and totaling, and for the announcement of results.

If the form required for any of the activities mentioned above, or the ballot form, is not received in time, it becomes impossible to instruct the people about the voting process, nor is it possible to instruct those who will act as electoral officials.

Therefore it is important that the distribution of materials be impartial, and they should be dispatched in such a way that each location will receive these materials early.

It has sometimes happened that a certain candidate with influence in the national, or in one of the regional or municipal, electoral commissions, knows that he will lose in a given area, and therefore attempts to prevent the ballots from arriving on time. Thus neither he nor any other candidate will win any votes in that area.

The Electoral Commission must also see to the protection of the election materials prior to, during, and after the electoral process.

When the elections are over, the winners always want to claim full legality, while the losers will say that there was cheating. And that is when the verb "to challenge" comes into play.

The Challenge Process

And that is the worst moment both for the challenger and for the electoral authorities.

Here is an example. The regional convention is to be held this week, and the national convention will be held next week.

Let us imagine that a candidate who lost at the municipal convention files a challenge with his municipal commission, claiming that the winner cheated.

This matter must be resolved prior to the regional convention. If the members of the regional commission feel that the problem is very complex, they will refer it to the National Electoral Commission.

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Very often there is not enough time. And what happens is that some delegates are elected when they probably should not be, or when they have already been challenged.

The National Electoral Commission must meet day and night in order to resolve all of the questions raised. The electoral court is then obliged to make political decisions, which have almost always been relatively consistent with the law. However, this is not the best way to do things.

There are those who think that the solution to this problem would be to give the regional commissions full autonomy, so that these cases need not be referred to Caracas.

The Delegates

Finally, it is time for the National Convention. All of the obstacles have been dealt with in the course of the process, as Jason and the argonauts dealt with their obstacles during their quest for the golden fleece—with great difficulty, but with excellent luck.

In this instance, based on the votes cast in the December 1993 election, and including all those who are delegates in accordance with Article 22 of the party bylaws, the voting universe should come to a total of more than 2,000 delegates.

The table below provides a preliminary estimate of the number of representatives who will have to choose the new officers of the COPEI.

Delegates to the National Convention

Area	COPEI Votes	Regional%	Difference	Additional Delegates	Direct Delegates	Municipal Delegates	Total Delegates
Zulia	173,669	35.90	11.81	24	15	157	196
Miranda	122,173	25.89	1.8	4	15	98	117
Federal District	75,900	13.36	-10.7	0	15	71	86
Falcon	52,438	34.35	10.26	20	15	38	73
Carabobo	57,242	19.97	-4.12	0	15	55	70
Tachira	58,103	28.33	4.24	8	15	45	68
Cojedes	19,136	40.87	16.78	34	15	15	63
Barinas	36,337	33.62	9.53	20	15	27	62
Yaracuy	33,957	33.50	9.42	18	15	28	61
Apure	21,981	35.70	11.65	24	15	19	58
Lara	60,186	18.78	-5.31	0	15	40	55
Trujillo	37,976	29.88	5.79	12	15	28	55
Portuguesa	39,509	26.75	2.66	6	15	27	48
Aragua	43,418	15.62	-8.47	0	15	32	47
Monagas	35,847	24.48	-0.39	0	15	29	44
Merida	38,192	26.86	2.77	6	15	21	42
Anzoategui	39,036	17.06	-7.03	0	15	25	40
Bolivar	24,884	13.52	-10.57	0	15	20	35
Guarico	27,654	24.63	-0.54	0	15	19	34
Nueva Esparta	21,376	31.89	7.8	16	15	3	34
Sucre	23,961	16.42	-7.67	0	15	13	28
Vargas	13,715	16.73	-7.36	0	15	12	27
Amazonas	3,081	26.33	2.24	4	15	2	21
Amacuro	4,620	25.13	1.04	2	15	2	19
Total delegates							1,363

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